

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT:

H. R. 6336. A bill to authorize the Administrator of the War Assets Administration to lend or sell surplus-property equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Expenditures in the Executive Departments.

By Mr. HOPE:

H. R. 6337. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn sold by producers between January 1, 1946, and April 18, 1946; to the Committee on Agriculture.

By Mr. KNUTSON:

H. R. 6338. A bill to repeal section 601 of the Philippine Rehabilitation Act of 1946; to the Committee on Insular Affairs.

By Mr. LEMKE:

H. R. 6339. A bill to limit the period within which contract actions may be brought by the United States; to the Committee on the Judiciary.

By Mr. RANKIN:

H. R. 6340. A bill to provide that a veteran's compensation, pension, or retirement pay shall not be reduced during his hospitalization or domiciliary care, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SCRIVNER:

H. R. 6341. A bill to eliminate certain inequities of the National Service Life Insurance Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

By Mr. SPARKMAN:

H. R. 6342. A bill to amend the National Defense Act of 1916, as amended; to the Committee on Military Affairs.

By Mr. HOLIFIELD:

H. R. 6343. A bill to authorize the Secretary of War to lend War Department equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Military Affairs.

By Mr. IZAC:

H. R. 6344. A bill relating to the limitations on pay of retired commissioned officers elected or appointed to civilian offices or positions; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 6345. A bill to amend the Employers' Liability Act so as to limit venue in actions brought in United States district courts or in State courts under such act; to the Committee on the Judiciary.

By Mr. RICH:

H. R. 6346. A bill providing for the extension of the time limitations under which patents were issued in the case of persons who served in the military or naval forces of the United States during World War II; to the Committee on Patents.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the legislature of the State of Wyoming, memorializing the President and the Congress of the United States to enact legislation relating to public lands of said United States in Wyoming; to the Committee on the Public Lands.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 6347. A bill for the relief of Mrs. Evelyn Authier; to the Committee on Claims.

By Mr. BUFFETT:

H. R. 6348. A bill for the relief of James Ronald Walker, a minor; Thomas Clark Bryant, a minor; and Thomas E. Bryant; to the Committee on Claims.

By Mr. DINGELL:

H. R. 6349. A bill for the relief of the United States Radiator Corp. of Detroit, Mich.; to the Committee on Claims.

By Mr. EBERHARTER:

H. R. 6350. A bill for the relief of the county of Allegheny, Pa.; to the Committee on Claims.

By Mr. GWYNNE of Iowa:

H. R. 6351. A bill to grant a certain right-of-way in Crawford County, Wis., to the Iowa-Wisconsin Bridge Co.; to the Committee on the Public Lands.

By Mr. HAVENNER:

H. R. 6352. A bill for the relief of Andres Quinones and Letty Perez; to the Committee on Immigration and Naturalization.

By Mr. HORAN:

H. R. 6353. A bill for the relief of Mrs. Audrey Ellen Gooch; to the Committee on Immigration and Naturalization.

By Mr. KEEFE:

H. R. 6354. A bill for the relief of Ida Hohelsel, executrix of the estate of John Hohelsel; to the Committee on Claims.

By Mr. PINERO:

H. R. 6355. A bill for the relief of the estate of the late Francisco Rivera Navarro; to the Committee on Claims.

H. R. 6356. A bill for the relief of Jose A. Pabon; to the Committee on Claims.

H. R. 6357. A bill for the relief of Ernesto Lugo; to the Committee on Claims.

H. R. 6358. A bill for the relief of Armando Velez Feliciano; to the Committee on Claims.

H. R. 6359. A bill for the relief of Nemesio Vegas; to the Committee on Claims.

H. R. 6360. A bill for the relief of the estate of the late Ismael Miranda; to the Committee on Claims.

H. R. 6361. A bill for the relief of the estate of the late Manuel Graulau Velez; to the Committee on Claims.

H. R. 6362. A bill for the relief of Cristobal Rivera Santiago; to the Committee on Claims.

H. R. 6363. A bill for the relief of Juana Pagan; to the Committee on Claims.

H. R. 6364. A bill for the relief of Alejo Padilla; to the Committee on Claims.

H. R. 6365. A bill for the relief of Miguel Ferrer Nevar; to the Committee on Claims.

By Mr. RAYFIEL (by request):

H. R. 6366. A bill for the relief of Ciro Gamboni; to the Committee on Immigration and Naturalization.

By Mr. ROBINSON of Utah:

H. R. 6367. A bill authorizing the issuance to Mountain States Development Co. and Crescent Eagle Oil Co., of patents for certain placer mining claims located in Grand County, Utah; to the Committee on the Public Lands.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1866. By Mr. FORAND: Resolution of the General Assembly of the State of Rhode Island, requesting the President of the United States of America, the Secretary of State of the United States, the Director General of the United Nations Relief and Rehabilitation Administration, and the Senators and Representatives from Rhode Island in the Congress of the United States to use every effort to prevent the reduction of the daily bread ration in Italy and to endeavor to devise means to supply that country with larger shipments of wheat and flour; to the Committee on Foreign Affairs.

1867. By Mr. SMITH of Wisconsin: Petition of veterans of World War II, Janesville, Wis.,

requesting unemployment compensation allowances which have been denied them; to the Committee on Ways and Means.

1868. By the SPEAKER: Petition of the twelfth district American Legion, petitioning consideration of their resolution with references to their endorsement of the provisions of Senate bill 1592, known as the Wagner-Ellender-Taft housing bill; to the Committee on Banking and Currency.

## SENATE

WEDNESDAY, MAY 8, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11:45 o'clock a. m., on the expiration of the recess.

Rev. John W. Rustin, D. D., minister, Mount Vernon Place Methodist Church, Washington, D. C., offered the following prayer:

Let us pray together: Eternal God, father of us all, we pause in the midst of the busy rush of life to ask for Thy direction. How desperately we need that direction today. Tempted as we are to live selfishly because of the abundance of things we possess, we often close our ears to the needs of others. Forgive us, we pray Thee. Help us to remember in these days of material prosperity "that a man's life consisteth not in the abundance of things which he possesseth," and "that he cannot live by bread alone." Grant, we pray Thee, wisdom to this body so that all action taken here today shall be for the best interest of all Thy people everywhere. Save us from weak resignation and futile despair. Undergird us with a sense of Thy presence so that we shall be refreshed of both body and soul. These mercies we ask in the name and for the sake of Jesus Christ our Lord. Amen.

## THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 7, 1946, was dispensed with, and the Journal was approved.

## CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Langer
Austin	Fulbright	Lucas
Ball	George	McCarran
Bankhead	Gerry	McClellan
Barkley	Green	McFarland
Brewster	Guffey	McKellar
Briggs	Gurney	McMahon
Brooks	Hart	Magnuson
Buck	Hatch	Maybank
Bushfield	Hawkes	Mead
Butler	Hayden	Millikin
Byrd	Hickenlooper	Mitchell
Capehart	Hill	Moore
Capper	Hoey	Morse
Carville	Huffman	Murdock
Cordon	Johnson, Colo.	Myers
Donnell	Johnston, S. C.	O'Daniel
Downey	Kilgore	O'Mahoney
Eastland	Knowland	Pepper
Ellender	La Follette	Radcliffe

Reed  
Revercomb  
Robertson  
Russell  
Saltonstall  
Shipstead  
Smith  
Stanfill  
Stewart

Taft  
Taylor  
Thomas, Okla.  
Thomas, Utah  
Tobey  
Tunnell  
Tydings  
Wagner  
Walsh

Wheeler  
Wherry  
White  
Wiley  
Willis  
Wilson  
Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The PRESIDENT pro tempore. Eighty-five Senators have answered to their names. A quorum is present.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 97. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; and

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;

H. R. 3967. An act for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor;

H. R. 4046. An act authorizing the issuance of a patent in fee to Richard S. Fisher;

H. R. 4122. An act for the relief of Guy B. Slater and Grace M. Collins;

H. R. 4142. An act for the relief of Johnnie V. Nations;

H. R. 4172. An act for the relief of Carlton G. Jerry;

H. R. 4298. An act for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson;

H. R. 4301. An act for the relief of Philip Naope Kalli and Susie Kalli;

H. R. 4338. An act for the relief of Anna Blanchard and others;

H. R. 4527. An act for the relief of O. T. Nelson, and wife, Clara Nelson;

H. R. 4763. An act for the relief of R. L. Benton;

H. R. 5152. An act for the relief of J. F. Powers;

H. R. 5212. An act for the relief of the dependents of Cecil M. Foxworth, deceased;

H. R. 6097. An act to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; and

H. R. 6110. An act for the relief of the estate of Marion S. Griggs, deceased.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes. Mr. McFARLAND obtained the floor.

The PRESIDENT pro tempore. The Chair asks the clerk to read the unanimous-consent agreement entered into yesterday.

The Chief Clerk read as follows:

Ordered, by unanimous consent, That on the calendar day of Wednesday, May 8, 1946, at not later than the hour of 2:45 o'clock p. m., the Senate proceed without further debate to vote upon the so-called McFarland amendment to Senate Joint Resolution 138, the pending British loan measure; and that of the intervening time between 12 noon and said hour of 2:45 o'clock, 1 hour and 45 minutes be allotted to the proponents and 1 hour to the opponents of the amendment, to be controlled, respectively, by the Senator from Arizona [Mr. McFARLAND] and the Senator from Kentucky [Mr. BARKLEY].

Mr. McFARLAND. Mr. President, much has been said about the economic condition of the world. I agree that we are now facing one of the most serious periods in the history of the world. This Nation has just passed through the greatest spending period in our own history—at least, we hope we have passed through it. Now, of necessity, we are forced to get back on a sound business basis or else face an utter collapse of our financial system. Now we are being asked to approve a loan of three and three-fourths billions of dollars to Great Britain, a debtor nation. We should examine the evidence for and against the making of such a loan from a sound business standpoint.

We heard 10 days of testimony on the British loan before the Banking and Currency Committee, during which some 20 witnesses appeared. This testimony has been printed and made available to the Senate. We have heard the arguments of able Senators on this floor.

The distinguished Senator from Kentucky [Mr. BARKLEY] stated that this whole question involves a great many complicated economic problems and

that it is difficult for any human being to understand them unless he lives with them all his life. He added, in candor, that some of his answers may not be meticulously accurate. That is likely to be true of any of us in discussing the subject. In fact, I am constrained to observe that the very fact that involved here are highly complicated economic and financial questions makes this a subject as to which it is difficult to get plain, common sense, practical answers. Shortly after the joint resolution which is now under discussion to implement the loan was introduced, I addressed the Senate, pointing out what I consider many objectionable features of the agreement for this loan. So, I do not propose at this time to enter into a discussion of the merits of the loan, or the need for it, or the benefits it will accord to Great Britain, or the benefits it will bring the United States, or the countless other questions which have been raised thus far in connection with it. In candor and frankness, however, I should add that I have not been greatly impressed with the arguments that have been adduced for it by the witnesses who appeared in its behalf. I remember clearly one thing Mr. Acheson said about it. He said—and I am reading from page 325 of the Senate hearings:

Just in order to make it clear, I will say it again. The purpose of this loan is to enable the British to import what they have to import over the next few years during which they don't have the exports necessary to balance their payments.

I cite Mr. Acheson's statement principally for the purpose of making clear what the State Department says is the objective of the loan. Whether it is a proper objective is a question each of us must determine. I believe it to be significant, however, that neither in Britain nor in America is there unanimity of opinion among public men of experience and understanding on this subject that the loan is desirable or necessary.

What I do want to address myself to is the proposition that our Government should not enter into an agreement for a tremendous loan to a foreign power except on a sound business basis, which cannot be done without first having reached some agreement and understanding with that power regarding an existing unpaid obligation. What I am contending for is simply plain common-sense business principles. I am not asserting that Great Britain must pay us what she owes us before we grant the pending loan; I am merely insisting that for our own protection and for Britain's, there should be some agreement reached regarding the indebtedness arising out of the First World War. I am suggesting that such a procedure is elemental, the first principle of relationship between a borrower and lender.

I have the greatest friendship and admiration for the British people. No one was more anxious than I that they be aided in those bitter days before and after Dunkerque; no Member of the Senate has a better voting record than I in that respect. I regard Britain as a great ally, and I hope that our two nations always will be friends. I am fearful that



one of the surest ways to undermine that friendship is to establish again the relationship of lender and borrower without a clear and definite understanding of what the obligations of each of the contracting parties is to be. I do not want to see a return of the days when we were called Uncle Shylock. I believe that one of the surest ways to avoid that situation is to make certain now that there are not hanging over the present arrangements old and irritating wounds.

And such old irritations do exist. I care not that some assert that the old debt is a dead debt, better to be forgotten. The fact remains that the American people know that they loaned the British Government \$4,277,000,000 during and after the First World War, and they know that the loan has never been repaid in full. It is all very well for some to point out that only a small part of it was a loan after the war, or that Britain repaid in principal and interest some \$2,000,000,000; that technically Britain paid some of the loan and the balance of it ought to be canceled. Let them explain that to the American taxpayers who dug into their pockets to float and pay for that loan and the interest on it.

The American people regard that debt as they regard their own personal debts; they know that they cannot go down to the bank and attempt to make a new loan while a former loan still stands on the books, not cleared up and funded, or some other arrangements made for its settlement or clearing up. The American people believe that the same code of conduct should exist between nations; they are going to find it extremely hard to believe that the Congress has the right to loan their money on the theory that it is being done in the national welfare. In my judgment, Senators are going to have a very difficult time explaining to the home folks their advocacy and support of a tremendous loan of \$3,750,000,000 to a nation which remains on our books as a debtor of between four and six billion dollars going back a quarter of a century—and moreover, a nation which we just concluded giving the stupendous sum of \$25,000,000,000 worth of goods in lend-lease.

I am not complaining about lend lease; I am not asserting that the loans of the First World War were not necessary; I am not suggesting that the present loan is not desirable. What I am insisting on—and I shall continue to insist on it—is that we begin to show some common sense and some consideration for our own people.

I suggest, therefore, and I have offered an amendment to that end, that before we make this present loan of \$3,750,000,000 Britain shall sit down with us and work out some mutually equitable method of adjusting the First World War indebtedness. I suggest, further, without restricting either our own representatives or those of Britain, that in working out such an agreement we be granted, first, permanent use of the so-called 99-year bases; second, the elimination of the present restriction against commercial use of those bases; and, third, the right to use for commercial purposes other bases which we with blood, sweat,

and tears, won back from the enemy for Britain, and others which we helped Britain retain. I wish to call to the attention of the Senate that approximately \$4,000,000,000 of American taxpayers' money was spent on the original construction of these bases.

Mr. FULBRIGHT. Mr. President—The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. McFARLAND. No; I am forced not to yield. I should be glad to yield, but my time is limited. I shall have to ask the Senator to get his time from the Senator from Kentucky [Mr. BARKLEY].

Mr. FULBRIGHT. I wondered whether the Senator was going to indicate in his remarks the bases he has in mind.

Mr. McFARLAND. I shall be glad to indicate in the RECORD the bases on which we spent this money.

Mr. FULBRIGHT. That is what I mean.

Mr. McFARLAND. When and if Britain and our representatives present such an agreement which gives us something in consideration for at least part of the huge First World War debt, then I am willing to vote for the proposed loan. We will, under such a program, at least have made some settlement of an old debt before we embark on a new one. I make that as one of the conditions of this loan; when that condition is met, I shall support the proposed loan.

Some may argue—and it has been so suggested during the hearings by eminent members of the Committee on Banking and Currency—that such bases are a useless and unnecessary expense to us; that they will be white elephants. It was suggested that Puerto Rico and the Philippines have been burdens to us, and that we should not take on additional burdens. Such an argument is not applicable to my proposition, for I ask only for bases and use of bases, not for the rest of the territory upon which they are situated. And the arguments made by one Senator against our taking over such bases from Britain was that we wanted them for military outposts, and that with the United Nations functioning and the atomic bomb, such military outposts have lost their military meaning.

Mr. President, to those who think along this line I should like to suggest that I am as hopeful as is any other man that the United Nations will be the effective agent to banish future wars; I also am of the opinion that the atomic bomb mitigates the military use of such outposts; but what is apparently overlooked by all those so contending is that we are all hoping for an era of peace and prosperity and commercial and economic expansion in the years ahead. And I suggest that this Nation must prepare itself for such a period of economic and commercial prosperity by expansion of its communications and transportation lines to the world.

On these bases which we have for 99 years, and on many another far-flung area in the world, we have expended millions upon millions of dollars, not alone for submarine pens, and anchorages and

harbors, and gun emplacements, and weather stations, but for communications centers and airfields. Such airfields and communications centers are potentially far more valuable in peacetime than they were in war.

I think the time has come for this Nation, the most powerful and productive in the world, to cease being a chattel of other nations. I believe that America and its people have, as the late President Roosevelt said, a rendezvous with destiny. I believe that if we want to see democracy and our way of life expand in all the places on earth, we must make sure that freedom of transport and freedom of communications really exist. It is time that we ceased giving lip service to democracy and freedom of speech and freedom of press. If we want the people of the world to know what democracy means and what it has to offer to the common, ordinary man, we must assure ourselves of the means to spread the gospel of democracy in every highway and byway in this far smaller earth.

It has been suggested that we have rights on these bases, and on other areas of the earth in which Britain or the British commonwealth is sovereign. To that, I say, examine the Bermuda aviation agreement; examine the Bermuda telecommunications agreement. Ask those who operate our air lines how free we are; ask them who fixes the rates they must charge for overseas air travel; ask those who operate our international communications companies just how free our American communications are; ask the newspapers and the press associations that have championed a world-wide free press just how free the American press association is in picking up or delivering all the news. I submit, Mr. President, that this telecommunications agreement does not give us bases for telecommunications use nor does it give freedom of world-wide coverage as advocated by men like Kent Cooper, of the Associated Press.

The agreements remind me of what Will Rogers once said:

America never lost a war and never won a conference.

I realize what we got was probably the best we could get—simply because we, the United States, must ask on bended knee for rights. But I do not want my colleagues to be deluded by fancy phrases and diplomatic wordage that we have won any great rights in these matters of vital importance in the future peacetime world.

If these bases and other areas are such great economic burdens as some on this floor would have us believe, why does not Britain give them up? Confessedly, Britain is in desperate financial straits; she cannot afford to bear further drains on her treasury entailed by maintaining Caribbean and North Atlantic bases; nor, for that matter, can she afford to make loans to other nations—Greece, Poland, even Russia. Nevertheless, she does make such loans, and such bases as she retains she does bear the burden of supporting. I think this is a time for realism; not a time for throwing up our hands and admitting that the involved economic and financial details and jargon of this new

loan agreement are too much for us, and, therefore, let us agree to it and forget the past. I believe that the American people would and do oppose such an attitude on our part; I believe the American people expect us to stand here and fight and vote for their own best interests.

The American people's best interests, Britain's best interests, and the world's best interests, compel us to handle this matter of a loan on a sound, business-like basis which will avoid friction in the future and insure the growth of the democratic ideal in the world.

Much has been said in regard to this loan being a gift. This, of course, is due to the fact that we never received payment of the last World War loan. For this reason some have suggested that it would be better for us to make an out-and-out gift to Great Britain of a lesser amount rather than make the loan provided for under this agreement. The pros and cons have already been discussed as to this being a gift or a partial gift. It is at least a gift to the extent that the interest rate is more favorable than the rate at which we can secure money from our own people, and it is on far more favorable terms than we are making to our own veterans.

We have made gifts to nations in the past under the public-welfare clause of the Constitution. The modern trend seems to be that if Congress finds an appropriation to be for public welfare that is all that is necessary. But, Mr. President, I want to say here and now that we have a grave responsibility when we give our people's money away, particularly when we give it away to another nation. It is very important that we determine how the welfare of the people of the United States is served when we make gifts or loans. For this reason I raise the question of the use of these bases. Is it to the welfare of our people for us to have these rights?

Mr. President, it was admitted by the principal Government witnesses, during the hearings, that we are entitled to the very thing I am seeking to accomplish by this amendment.

Secretary Vinson stated:

I agree with you that adequate bases are a very important item in the security of our country, but I have the feeling that the bases problem, being handled by the State Department, will be worked out.

Mr. Clayton, in discussing the general right to use these bases for civil purposes, said:

I sympathize with your feeling about the right to use the bases for our civil aviation.

When questioned in regard to securing permanent base rights in the Western Hemisphere, Secretary of Commerce Wallace declared:

I think we ought to have them, unless we get them cheaper by letting the British administer them.

But when it was called to his attention that we were not trying by this amendment to secure the islands, but only the bases, he added:

I think we should have the permanent bases.

Then when asked:

Do you think Great Britain should be willing to make an agreement with us on that basis?

He answered:

Yes; I think so.

However, our administration witnesses did not want to make the securing of these rights and the use of these bases a condition of the new loan. Now, what position would that put us in? Most of the Government witnesses have stated that because the first loan grew out of World War I it should be canceled. Because of the economic condition growing out of this war, that process of reasoning would lead every nation which borrows money to believe that the United States would never demand a settlement of its loan and would eventually be willing to cancel it.

We are faced here today with the necessity of saying to Great Britain, "If we lend you money, we expect a settlement," and the only way we can obtain a settlement is by requiring a settlement in regard to past indebtedness, regardless of how little we may receive. So I submit that the amendment as a condition of this loan is most important, not alone because of the fact that Great Britain may be led to believe by our past actions that she may not be compelled to repay this loan, but also because every other nation which may ask us for a loan will arrive at the same conclusion.

Mr. President, it has been suggested on the floor of the Senate that the adoption of the pending amendment would result in killing the British loan. My answer to that statement is that if the British people need the money of our people as badly as they claim they do, they will give us the right, asked for by this amendment; that is, they will be willing to make a deal with us by which a part or all of the First World War loan will be charged off.

It has been suggested also that by asking for these bases we may offend the British people or the British Government. Mr. President, this is the first time I have even known of someone who has money to lend being forced to beg a borrower on bended knees to take our money. Are we afraid? If so, afraid of what? Are we afraid Great Britain will not take our money? Is that the position of the United States Senate? Are we afraid to stand up for what is right? The question confronting us in the Senate today is whether the pending amendment is right. Oh, it is said that Britain may give the bases to us, anyway. There might have been a more opportune time for us to ask for these bases, but surely there is no better time than the present. Mr. President, there are more than 100 bases and installations involved. I ask permission to place in the RECORD at the conclusion of my remarks the number and names of the base areas.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. McFARLAND. Mr. President, yesterday there was issued by the Honorable Dean Acheson, Acting Secretary of State, a press release which came right on the day upon which it was thought we would

arrive at a vote on this question. What does the press release say?

The Honorable Dean Acheson, Acting Secretary of State, announced today that the British Government has confirmed its willingness to conclude a formal agreement based on the proposed arrangement negotiated at the Bermuda Aviation Conference, with respect to opening the 99-year leased bases to civil aircraft.

"Confirmed its willingness," Mr. President. No agreement has been reached. We do not know whether an agreement will be reached. I submit that the rest of the agreement is nothing more than diplomatic verbiage. I do not blame the State Department for being afraid to enter a conference if the best agreements it can get are no better than the aviation agreement and the telecommunication agreement.

It is significant that the mere fact that this amendment has been proposed has resulted in a little action toward bringing about a conference; if we adopt the amendment we will get what we are entitled to.

In the latter part of the press release Mr. Acheson calls attention to the aviation agreement, and says:

Duly authorized United States civil air carriers will enjoy nondiscriminatory two-freedom privileges and the exercise (in accordance with the agreement or any continuing or subsequent agreement) of commercial traffic rights at airports located in territory of the United Kingdom—

And so forth. "Nondiscriminatory privileges," indeed. A short time ago we heard about one of our air lines which had just changed from seaplanes to land planes. After it had installed wheels on the planes, and had landed 250 or 300 passengers in Bermuda the British decided that the air line could not use that field—a field which we built and on which forty-nine and one-half millions of American dollars were expended—and that it must use seaplanes. There they were, 250 or 300 passengers waiting for transportation, with American tickets. Is that one of the "nondiscriminatory" privileges the British are extending to us? Is that what is referred to in this press release?

What does the agreement further provide? We read in the newspapers a short time ago that our overseas air lines proposed to reduce their rates from \$375 to \$275 to and from Great Britain. The British would not stand for it. They threatened to restrict the number of flights and we had to agree to increase the fare to \$375. Is that nondiscriminatory treatment; does that improve commercial and economic relations in the world?

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. BREWSTER. Has the Senator found anything in this confidential release, for publication after 2 p. m., Tuesday, May 7, that was not previously known? Is there anything in the document that is in any way new?

Mr. McFARLAND. Not one thing.

Mr. BREWSTER. What was the purpose of this highly confidential red-type release yesterday afternoon at 2 o'clock?



Mr. McFARLAND. It could be for only one purpose, and that was to influence the United States Senate to vote for this loan. I submit, Mr. President, that to say that this press release is not complimentary to the United States Senate is putting it mildly.

Mr. BREWSTER. I think it is a rather transparent, and certainly highly simple, assumption on the part of Hon. Dean Acheson, who issued it, that the United States Senate is not out of the primary class. There is not one word in the release which has not been long known. This conference has been held, and the agreement is well known. What about the so-called two-freedom privileges? Has the Senator discussed what they involve?

Mr. McFARLAND. I have not discussed them. I should like to have the Senator discuss them when he takes the floor. I did not want to use all the time.

One of the things the so-called two-freedom proposition does is that in section 2 of the annex to the agreement, rates for international air service are to be controlled by a British-dominated cartel. There are 43 foreign air-line members of the International Air Transport Association, the organization which fixes the rates against four United States air lines. Furthermore, now that the British are ready with the machinery for controlling rates, and they have been given more than 100,000 miles of new trade routes, they can now fly their planes from New York to San Francisco, or down through New Orleans, picking up passengers for Mexico. They can deliver passengers in Detroit and Chicago, and other places in the United States. That is a part of the "great" agreement about which we have heard so much.

Mr. BREWSTER. I think it is clear that the two-freedom privilege involves no right to pick up or leave traffic of any character. It simply involves the right to land on an airport or to take off, but not the right to leave cargo or passengers, or pick up cargo or passengers for any spot on the earth. So the so-called two-freedom privileges are of very limited scope. There are three more freedoms, which involve traffic rights which are highly important, and which are not mentioned in this agreement.

Mr. McFARLAND. I thank the Senator for his contribution. I should like to add that the British Government has also now set aside \$600,000,000 to further British international aviation. Where will the \$600,000,000 come from except from our loan?

Mr. FULBRIGHT. Mr. President, may I ask the Senator if it is his purpose to yield only to Republicans in this debate?

Mr. McFARLAND. I am yielding to Senators who are going to speak on my side of the question. If the Senator wishes to ask a question he may do so in his own time. If the Senator will assure me that he intends to vote for this amendment I shall be glad to yield to him as much time as he wishes. Mr. President, this is not a question of Republicans and Democrats. This is not

a party proposition. This is a question of what is best for the people of the United States.

Mr. SALTONSTALL. Mr. President, will the Senator permit me to ask a question?

Mr. McFARLAND. I prefer not to yield further. There will be other speakers. If the Senator wishes to vote for this amendment I shall be glad to yield time to him. I do not propose to take up all the time of our side in yielding to the other side. If I could have obtained the floor yesterday, I intended to yield as much as any Senator wished me to yield, and to answer any and all questions which might be asked; but we are now speaking against time.

Mr. President, what does the telecommunication agreement amount to? I have not the time to go into it in detail, but a casual examination of that agreement shows that it does not permit us to use these bases for telecommunication purposes. If it be true that we can, without going through London, now send direct messages to Cairo, this new agreement does not permit us to transmit messages beyond Cairo or to use our station there as a repeater station, something which is needed to complete the circuit of our communications system.

Mr. President, I must not take more time. We have other speakers on our side of this question. I do not know what the Senate will do in regard to this amendment. I do not know how it will vote; but I know that every Senator will exercise his best judgment and vote as his conscience dictates.

The bases which we ask for in this amendment, Mr. President, are far flung, all over the world. They are bases which our boys fought, bled, and died to regain for Great Britain or to retain for Great Britain. They are sacred spots to the mothers and fathers of those boys, for there lie the remains of their boys. Is that right, Mr. President, that we should ask, in the name of the boys who died there, that Great Britain give us a right to use for commercial purposes these bases on those islands—little dots which would not have been worth anything had not we spent millions upon millions of dollars in developing aviation fields and communication centers on them? Are we asking for anything that is not right when we ask merely for the privilege of using these bases? What would they have been worth if we had not taken them? What would they have been worth if we had not retained them?

Mr. President, I submit that the pending vote is one of the most important votes the Senate will ever be called upon to cast, because, if this amendment is rejected, we shall be saying to Great Britain that we do not care anything about these rights, that we do not care anything about these bases, that we do not care anything about areas for which our boys died. Britain ought to be willing, if nothing else, to give us these small areas on these islands, in honor of the heroic dead.

Mr. President, as I have said, I do not know how the vote on the pending proposal will go. I shall be satisfied with the vote, regardless of what the outcome

may be. I shall content myself and satisfy my conscience by casting my vote for what I think is right, in honor of American boys, and for what I think is in the best interests of the people of the United States of America.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Arizona yield; and if so, to whom?

Mr. McFARLAND. I yield for a question; but my time has about expired, and I am going to yield the floor in a moment.

Mr. SALTONSTALL. I should like to ask the Senator a question which seems to me to be very pertinent, along the line of the points the Senator from Arizona has made. He has twice said, and he concluded his remarks by saying, that the Senate should do what is best for the people of the United States. My question is a very sincere one. On page 2 of the amendment, the first paragraph calls for the permanent acquisition of the bases. Is not the United States and are not the people of the United States better off under a 99-year lease than they are with permanent acquisition which will compel them to raise taxes and handle all the other problems which go with permanent acquisition? And if they want to abandon such a base, they cannot abandon one which is a permanent acquisition, whereas they can abandon a leased base. That is a sincere question.

Mr. McFARLAND. I do not agree with the Senator that we cannot abandon these bases. In the first place, we are not asking for the islands. We are asking only for the small areas which we have leased, upon which these bases are located. I am perfectly willing that it be provided in the agreement that if we abandon them, the title shall revert to Great Britain. I have no objection to that. A 99-year lease, Mr. President, is a very short time in the life of a nation.

Now I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President—  
Mr. CORDON. Mr. President, will the Senator yield to me?

Mr. McFARLAND. I have already promised to yield to the Senator from Arkansas. I yield first to him, and then I shall yield to the Senator from Oregon.

Mr. McCLELLAN. Mr. President, I wish to compliment the Senator from Arizona on his very able presentation of the reasons why the pending amendment should be adopted. I desire to announce that I shall support the amendment. I have not undertaken to make a speech in support of or in opposition to the proposed loan, but I wish to say that the principal reason why I shall vote for this loan to Britain, if I do vote for it, is in consideration of our own national security. If the loan is helpful to our national security, if anything in connection with this loan or anything identified with it serves our security in the future, it doubly serves Britain. If we are to continue to be friends and allies in the future, as we have been in the past, it

is just as much to the interest of Great Britain that we have the use of these bases permanently, as it is to our own interest, and more so.

I think now is the time to settle all the differences and all the problems arising out of this war and that have carried over from World War I. I think now is the time to make the settlement, to wipe the slate clean, and to start over, either with a loan or without it.

Mr. MCFARLAND. I thank the Senator for his contribution. I have only one more minute, and I yield that to the Senator from Oregon.

Mr. CORDON. Mr. President, I simply wish to ask the Senator from Arizona if, in his opinion, one of the great values which we would receive from the adoption of his amendment would be the right on the part of the United States to use these several bases for civilian aviation, as well as for military aviation, but as to which civilian use is now prohibited?

Mr. MCFARLAND. Mr. President, I think the point the Senator has made is well taken. I tried to make that plain in my remarks. That is one of the principal purposes of the amendment. But it is to be noted that even in granting the 99-year leases, Great Britain was shrewd enough to prohibit the use of the bases for anything but military purposes.

I thank the Senator for his contribution.

I now yield the floor to the Senator from Georgia.

#### EXHIBIT 1

##### LIST OF BRITISH POSSESSIONS WHERE UNITED STATES NAVY INSTALLED AND MAINTAINED FIXED INSTALLATIONS

Newfoundland, Bermuda, Bahamas, Jamaica, Antigua, St. Lucia, Trinidad, British Guiana, Funafuti, Fiji Islands, Gilbert Islands, New Hebrides, Solomon Islands, Admiralty Islands, Australia, New Zealand, New Guinea.

The exact number of installations in each of the above-named areas is not available.

#### EXHIBIT 2

##### LIST OF BRITISH POSSESSIONS WHERE UNITED STATES ARMY INSTALLED AND MAINTAINED FIXED INSTALLATIONS

Bahamas, British Guiana, British West Indies, Bermuda, Newfoundland, Canada, Labrador, Canada (northwest district), Ascension Island, Bahrein Islands, Trucial Oman, Anglo-Egyptian Sudan, Egypt, Gold Coast, Nigeria, Palestine, British Malaya, Burma, Ceylon, India, Australia, Canton Island (United States and British), Christmas Island (United States and British), Cooke Islands (New Zealand, British), Ellice Islands, Fiji Islands, New Guinea (British and Dutch), New Hebrides (British and French), New Zealand, Solomon Islands.

The exact number of installations in each of the above-named areas is not available.

Mr. RUSSELL. Mr. President, I do not intend to make any lengthy statement on this subject. I wish, however, to reiterate the views which I expressed on this floor in October 1943, upon the return to the Senate of the first Member group from the Congress to go to the various theaters of operation around the world where the war was being waged. At that time I urged upon this country the policy of undertaking to settle many of the perplexing problems which have

grown out of this war, at the time when the tide of lend-lease was still running from our shores to our allies. It occurred to me then, and I hold the same opinion still, that it would have been much better to have settled many of these problems at that time, than it was to pass them over until after our allies had been the beneficiaries of all that they sought at our hands.

Mr. President, I have been disturbed by a sentiment, which seems to be growing up in this country, to the effect that we should speak very softly when dealing with our contributions to winning the victory in the great world war from which we have just emerged. This school of thought holds it is entirely proper for the British to refer to the tenacity with which they held on for many months, alone and unassisted, and faced by all the power of Hitlerite Germany. I agree. I commend the British for their fortitude, for that unbreakable courage which has always been a hallmark of British character. To this group it seems to be perfectly all right for the Russians to proclaim almost daily, as they do, that it was the great Red army that won the war, that beat down the armies of Germany and her allies, and brought victory to the United Nations. I have no objection to that. The American people do not yet appreciate the full extent of the losses incurred by the Red army in their great battles—battles of greater magnitude than those which occurred in any other theater in the war. I would not detract one iota from any of the accomplishments of any of our allies.

But, certainly, Mr. President, I am opposed to putting our own light under a bushel and speaking only in whispers of the great contribution of the American people and the unsurpassed heroism of the American Army, Navy, Marine Corps, and Air Forces in bringing about the victory. I state without fear of successful contradiction that if we did not win the war, at least our allies could not have won the war without our aid, both in fighting men and in materials and supplies.

Mr. President, the proposal of the Senator from Arizona seems to me to be merely a business proposition. I cannot see why it should give offense to the British, and I certainly believe there is nothing in it which could properly offend them. Nations are but aggregations of individuals. There is no reason why we cannot approach this matter on a businesslike basis in dealing with the British, just as individuals would negotiate a business deal. During the negotiations the executive arm of the United States Government imposed certain requirements upon the British. What proper objection can there be to the legislative arm of the Government, in considering this matter of such vital consequences to the American people, involving, as it does, the expenditure of a greater amount of money than was appropriated for the entire national budget in any year prior to 1934, asking that the contribution represented by the proposed amendment be made to the future security of the American people?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. Is it not about time for the Congress of the United States to take the precaution to which the Senator has referred, and write into the statute language representing the way we feel about this agreement, and not only call it to the attention of the Department of State, but insist on the Congress being recognized in connection with such matters?

Mr. RUSSELL. I advocate such course being followed, and I shall support the amendment offered by the distinguished Senator from Arizona.

Mr. President, I wish to quote briefly from my remarks made on this floor on October 28, 1943, because I deem them to be very appropriate to the issue under consideration at the present time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. From my understanding of the situation, the proposal which the Senator from Georgia is supporting would result in a renegotiation of the international agreements which have been made.

Mr. RUSSELL. No; I do not believe so. The Congress cannot negotiate international agreements, but it can place limitations upon the power of the executive department to execute. That is what the effect of the amendment of the Senator from Arizona would be.

Mr. FULBRIGHT. But would not the effect of the amendment be to require new negotiations to take place, which might continue for months and months, and result in important changes? As a practical matter, I believe the Senator knows that the amendment of the Senator from Arizona would kill the joint resolution, and would require new negotiations. In the meantime circumstances will have changed.

Mr. RUSSELL. Mr. President, there would be nothing new in Congress placing limitations on the power of the Executive in connection with dealing with other nations. Congress put all kinds of limitations on the power of the Executive in connection with dealings which resulted in the creation of the United Nations. There would be nothing new about such procedure. The Congress passed measures providing that certain things had to be done, and there have been any number of similar instances of the Congress seeking to place limitations upon the performance of the executive department.

Mr. FULBRIGHT. I do not recall any important changes having been made in the San Francisco Charter.

Mr. RUSSELL. No; I did not say there were any such changes, but the Senate had the power to reject the Charter.

Mr. FULBRIGHT. Yes; the Senate had the power to reject the treaty. It also had the power to reject the League of Nations, and it did so.

Mr. RUSSELL. By agreeing to the pending amendment, the Congress of the United States will not be refusing to make the loan. It may be that the British will not like the amendment and will not agree to it, but it will represent no refusal on our part.



Mr. President, I wish to repeat the position which I took in 1943. At that time a great deal of criticism took place in the British press, and on the part of members of the British Parliament, of the statement which was made by some members of the Senate committee who had returned from a trip around the world. I was amazed at the severity of the criticism. The criticism went to the extent of taking the position that a Member of Congress had no right to express himself in connection with matters involving foreign policy. I almost obtained the idea that some of our British cousins, for whom I have the greatest regard, had very little respect for what I regarded as our rights in connection with some very important issues.

In my statement, to which I have already referred, I undertook to deal with the matter from the standpoint of postwar air rights, as well as benefits which would accrue to this country by assuring the maintenance of national defense through both civil and military rights. I now read from a copy of my remarks which were made on this floor in 1943:

All of us are concerned about American rights in air bases and air facilities which have been constructed at our expense all over the world. There should be no delay in having some definite understanding and agreement as to the postwar rights of our commercial aviation. Certainly, we occupy a better position to negotiate such understandings now than we will after the war is over. We can not expect to have sovereignty over all bases that we have constructed for military purposes, but we should be able to assure to American enterprise an equal chance with others in these bases we have paid for, and the right to operate in all parts of the world.

Air power is the decisive factor in this war. With the great development being made daily in aviation, the peace of the world and the outcome of any future wars will depend directly upon air power. Planes must have bases from which to operate. We should begin now to plan for the postwar period, both to assure the future defense of the United States and to assist in maintaining world peace on a basis of justice and equality.

Many of our close offshore bases are built on lands under foreign flags. I have never been satisfied with the 99-year lease given the United States in the destroyer deal negotiated by this country before we entered the war. This is not any 99-year country. Where would we be today if Jefferson had handled the Louisiana Purchase on any such basis, or if our rights in Florida, or if even the Alaska purchase, had been subjected to any such limitation? If we can be trusted for 99 years to occupy and develop defenses on the lands belonging to our allies, but essential to our defense, there is no reason why future generations, who will still be paying for this war, should be denied the protection these bases afford.

Time can bring remarkable changes. War will move much faster in the future than it has even in this day of blitz. With the tide of lend-lease running high from our shores, future generations of Americans should not be subjected to the danger of having these bases, built and maintained by Americans, used against them 100 years from now. It should be possible to work out some arrangements which will give us permanently such protection as these bases may afford.

Mr. President, I am more impressed with the cogency of that argument today than I was at the time it was made.

Since 1943 there have been tremendous changes in the method of waging war. We are confronted in the future with a possible war in which bombs will be shot through the heavens for distances of three or four thousands miles. Our departments of national defense are today seeking methods of stopping such rocket bombs, one of which with an atomic war head would destroy the largest city in America. They are seeking to stop them by devising other rockets which will be projected into the stratosphere, strike the atomic rocket, and explode it before it can reach our shores. The bases which we hold under 99-year leases will be absolutely essential to our national defense as new inventions make the world smaller and bring us closer to danger from abroad.

I referred, Mr. President, to the fact that future generations of Americans would be paying for the more than \$40,000,000,000 of lend-lease supplied to our allies in this war. The same future generations, yet unborn, will be contributing taxes to defray the \$4,000,000,000 British loan which is proposed by the pending joint resolution. They are entitled to some benefit from their expenditures. Are we to say that we will mortgage the future of this Nation, spend its resources and revenue recklessly and without limitation or restriction, and compel our citizens of the future who have burdens of their own to face to pay the bill without even the modest protection of these bases?

This proposal should not give offense to the British. It is certainly only sound business on the part of these United States, and I believe it can be worked out, the bases can be secured, and the British can be protected in their sovereignty over the islands on which they are located. We can, therefore, at least give to those who will be taxed in the years from now on to pay the debts growing out of this war a little better chance of defending themselves in the case of aggression and the use of new weapons of war of which we today cannot even dream.

Mr. BARKLEY. Mr. President, I yield to the Senator from Arkansas [Mr. FULBRIGHT] such time as he may desire to use.

Mr. FULBRIGHT. Mr. President, I have already spoken on this amendment, and I merely wish now to make a few observations. First, I should like to say, with regard to the last suggestion of the Senator from Georgia, that I am quite unwilling to accept these few puny bases in payment either for lend-lease or for the efforts we put forth in the war. I expect a great deal more of Great Britain and our other allies than the transfer of a few pieces of isolated real estate.

Furthermore, I think the suggestion of the Senator, using the analogy of the Louisiana Purchase, is not in point. I quite agree that in that case a 99-year lease would not have been proper, but that was in a period when this Nation was expanding; it was in a period which we may well call imperialistic, when we were aggressively engaged in building up our country. For some time now the United States has not been an imperial-

istic nation, and it is not concerned with increasing its size.

If we were interested in acquiring territory, which the Senator from Arizona and the Senator from Georgia seem to suggest, for half the sum involved here we can send a battleship or two which we now have and obtain much more land than is involved in these bases. If that is what we are after, why do we not send down a little expedition to Colombia or Nicaragua or some other small country or island, and take them? If that is the business we are interested in that would be a much simpler and cheaper procedure to follow.

Mr. RUSSELL. The Senator from Arkansas then, sees no difference whatever between our requesting bases from the British before forcing on them a loan of four thousand million American dollars, to be paid by future generations of taxpayers and wantonly committing an act of aggression against good neighbors who have not offended and who have not asked for \$4,000,000,000.

Mr. FULBRIGHT. If the purpose is simply to acquire more real estate, if we are seeking to get more land, I see very little difference except in degree. I say, however, that our purpose is not simply that. I thought our only interest in these bases was purely as a matter of defense, certainly not the acquisition of permanent land areas.

Mr. RUSSELL. Mr. President, will the Senator yield there?

Mr. FULBRIGHT. I yield, but I also have a limited time.

Mr. RUSSELL. If the Senator does not care to yield, it is quite all right.

Mr. FULBRIGHT. I am glad to yield.

Mr. RUSSELL. My attitude might be different if I thought the condition of the world today was such that we could forget for the future the need for bases or for national defense. I have as much yearning for the success of the United Nations and for permanent peace as any other man in the country, because I realize that the salvation of the nations of the world depends upon it, but I am not willing to agree at this stage in the life of United Nations that we can afford to place the destiny and future defense of the United States entirely in its hands.

Mr. FULBRIGHT. The Senator understands, of course, we have these bases for 99 years, and, in the first place, I doubt very seriously—

Mr. RUSSELL. I think about 94 years now. I think it has been about 6 years since the leases were made.

Mr. FULBRIGHT. If 4 or 5 or 6 years make any difference to the Senator, I suggest that is a very short-sighted view of the future development of the world, both in atomic energy and in every other kind of weapon. I certainly do not believe that the significance these bases had during the last war will remain the same in 99 or 94 or 93½ years from now. I do not think they are particularly important in that respect. I think their importance will gradually grow less as the world becomes smaller. I have no doubt that it will not be very long until there will be plenty of planes that will have the power and capacity to hop over these bases. The fact is the Azores



would be much more important than these little islands.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McMAHON. Did our negotiators raise this point with the British or was there any testimony before the committee? Did they take any attitude on it? Was it put up to them?

Mr. FULBRIGHT. I do not think it was put up to them for the reason that, as I read in an editorial yesterday, which I think to be the truth, the best informed people do not believe that it is preferable to own them outright. The editorial I read yesterday suggested that, rather than hold these bases and other bases permanently, President Roosevelt very wisely preferred to have them on a lease basis, which did not devolve upon us the responsibility of the sovereignty of those governments, as permanent, absolute ownership would. With that, I entirely agree. If the British had offered them, in my judgment, our negotiators would have been much wiser to leave the situation as it now is. I do not think we want them as outright possessions.

The question of our own welfare, which both Senators have raised, involves a difference in judgment. In my opinion, we are as well if not better off with the present arrangement affecting these bases than if Great Britain had transferred them to us absolutely. As it is we merely have military responsibility. If this country is going to continue the policy of not seeking more real estate, but of seeking to create a better world in which we can all live in peace—if that is our policy, then I think it is inconsistent to seek to obtain more and more real estate.

If, on the other hand, we have despaired—and I am not sure that I am not about ready to despair—of any possibility of working with other countries, of any responsibility in international affairs, if that is to be our policy, then the only logical course is to proceed to acquire not only the bases indicated, but other important bases. I do not like to quibble over these puny little things, which are not of much importance. If we want something—and we are now able to get it—why should we not go out and take the Azores, and Iceland; and Greenland, and any other land? We probably could take anything we want other than the territory of Russia. We could take whatever we like, certainly anything approachable by the sea. If that be our policy, why do we not acknowledge it? I sometimes think perhaps that might be the only kind of policy we can understand.

Mr. McMAHON. Leaving out of consideration the advisability of acquiring title to more real estate, as against 99-year leases, what has the Senator to say about the second provision, which calls for giving us commercial rights on these bases? I think that is where the argument should come, not on the other matter.

Mr. FULBRIGHT. Under the announcement of the Acting Secretary of State yesterday, they have already agreed on commercial rights, except for some

technical details. I do not think there will be any difficulty in that.

Mr. MAGNUSON. Mr. President—The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Arkansas yield to the Senator from Washington?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I think the Senator should make clear the fact that in speaking of bases the Senator from Arkansas is apparently basing his remarks on the premise that in all cases leases have been made. Of course, we are talking about a great number of bases used by us during the war jointly, or by us alone, as to which there has been no arrangement made at all.

Mr. FULBRIGHT. And a great many of those bases are not within the control of the United Kingdom. That is one trouble with this amendment. It seems to assume that any base anywhere we should get, that the British should undertake to get it for us.

Mr. McFARLAND. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I do not yield to the Senator from Arizona, in accord with the precedent he set.

Mr. McFARLAND. I thank the Senator.

Mr. FULBRIGHT. The Senator understands, I think. I think both Senators to some degree—and it was emphasized by the Senator from Arizona—misunderstand the part we played and the interest we had in both wars. They both proceed upon the assumption, at least the implication arises from their remarks regarding the war debt, that neither of these wars was our war, that we were a by-stander who was observing a battle, that the outcome was of no particular interest to us, but that we did lend some money for the pursuit of a war, of a project, which was really not our concern; therefore this debt, which arose out of that transaction, should be viewed exactly as any other debt, just as a banker lends money to a man to build a factory and make a profit out of it; and certainly on good sound business principles, in which the Senator from Arizona is so much interested, that is the way to proceed.

The whole theory of lend-lease—and I think the theory was just as applicable to the First World War as it was to the last war—was that it was our war, that we were interested in winning it. If the British had folded up, or any other ally had folded up, I think we would have gone on to pursue it to victory or defeat. The fact was that by following the principle of lend-lease we gained, in the sense particularly that we saved the lives of a great many of our own boys, who would have had to man the machines we supplied to the British, to the Russians, and to any other ally in either war. We supplied munitions and machines in place of supplying men to run the machines. Of course, we would have supplied the machines in either case, but it at least saved the lives of our men. That was the underlying theory.

We decided that it was all important that we win the war, and when we get into a war we pursue every possible ap-

proach. I think this was one of the most efficient approaches. If we assume as correct the idea about the First World War debt and about lend-lease which is continually brought up, that we gave them, as some say, twenty billion, and others forty billion, depending upon the mood of the speaker—it is somewhere around \$20,000,000,000, I think—if it is a loan in the sense that a banker makes a loan to someone to make a profit, then the argument of those in opposition follows properly, and I think they are correct. On the other hand, if that is not the correct basic policy, then I think their argument falls down, and there is no use bringing into this argument the reference to the First World War debt, except that part which was advanced after the war and not for munitions or for lend-lease.

Mr. TYDINGS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. TYDINGS. If it was a gift, then it should not have been called lend-lease, because it was neither loaned nor leased. I think it was misnamed, and anyone on either side of this argument must concede that the designation "lend-lease" was a thoroughly expedient one, rather than an honest designation.

Mr. FULBRIGHT. I am sure the Senator has been a Member of the Senate long enough to know that it was not the first time expediency was resorted to in this body or any other body in politics. I do not know who made the decision to name it, but its purpose is perfectly evident on the face of it. In considering the pending amendment, or other amendments, to the joint resolution, many are not willing to vote against the loan because they know the people think it is a proper thing to do, though perhaps not as to all details. I do not say that all the people have made up their minds and know that every last dot in this measure is all right, but they know in general that it is in accord with the policy we have adopted and have been following for the last 3 years. But through expediency they choose to adopt an amendment which on its face does not look too bad, and in that way destroy the loan, and that is exactly what the purpose of the amendment is. If the amendment is agreed to, I think it might well be known, and everyone might well admit, that that will be the end of the agreement. We will have to go back and follow the same old policy we followed after the last war, when we made reservations to the proposal to join the League of Nations. We never did reject the League of Nations, no, we just amended it, and reserved, and amended, until, of course, it became a nullity.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LUCAS. I understand the effect of the amendment would be to give title to the United States to the territory we have entered under leases made by the British.

Mr. FULBRIGHT. That is one little element of it.

Mr. LUCAS. In other words, if the amendment should be agreed to and



England should accept it, there would be two sovereignties over the same island, would there not?

Mr. FULBRIGHT. Yes; there would be an enclave in these islands, that is, a separate sovereignty over one piece of territory in a larger one, somewhat similar to the Polish Corridor. I think Teschen was treated that way, as well as Alsace-Lorraine, and so on. History shows that every time that has been tried it has always been the source of a great deal of conflict and trouble.

Mr. LUCAS. That is the point I desired to make. The Senator has anticipated my next question by his answer. In other words, the United States of America is going to set up a sovereign power on a thousand acres, or 5,000 acres, whatever it might be, upon one of these islands, surrounded completely, we will say, by British territory and British sovereignty. It seems to me ridiculous to suggest that we should undertake to do that. We either should have all the island—

Mr. FULBRIGHT. That is correct.

Mr. LUCAS. Or we should not have merely a miserable little strip over which we exercise sovereignty. It seems to me that kind of an arrangement would create confusion and cause interminable trouble.

Mr. FULBRIGHT. I agree with the Senator entirely. That has been the history of all similar arrangements throughout the centuries.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I will say to the Senator from Illinois that only in one or two cases, in respect to the bases we have indicated we might need, would that condition exist. It is not a Polish Corridor, nor has it caused confusion. We have been doing the same thing for many years in Cuba, where we have a great naval base at Guantanamo Bay, over which we have control.

Mr. FULBRIGHT. Do we own it outright? Does it belong to us?

Mr. MAGNUSON. No. We have complete sovereignty over it for a period. I have not checked the number of years, but we had over a 99-year mandate over it and complete sovereignty. It was not a lease.

Mr. FULBRIGHT. Well, we do not own it, but have complete sovereignty over it. How can the Senator say it is not a lease?

Mr. MAGNUSON. We have complete control of that part of the island of Cuba for 99 years.

Mr. FULBRIGHT. Exactly, like we have over these bases.

Mr. MAGNUSON. The Senator can call it a lease or whatever he wants to call it.

Mr. FULBRIGHT. Why does the Senator cite that illustration as a ground for supporting the pending amendment? I call attention to part 2 of the amendment, as follows:

(2) Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain.

It says "areas controlled." It does not say areas owned by Great Britain. But

under this provision Great Britain would have to undertake and assume to go into any area in which she has more or less influence. I do not know whether it can be said that Great Britain controls Egypt or not. I do not think Great Britain does control Egypt. But Great Britain has a certain influence over Egypt. She may control the area around some airport. I do not know that. But the provision in question is very indefinite. Under it we first have to negotiate with the British, and the British, of course, would have to negotiate with these other areas. If it be some mandated area or some area such as Egypt which is on a treaty basis, or Palestine, the British must undertake, wherever we have these airports, to be our broker, I will say, and get us these rights instead of our doing it ourselves.

Then we would have to come back to the Congress and go through the same procedure we are going through now. I have no doubt that even if the British undertook to do it, there would not be any possibility that they could bring in any agreement that would be final, but we would always find we should have to have a little more territory; that if we received a thousand acres we should have 5,000 acres. It is a hopeless approach to the situation.

The last paragraph is utterly incomprehensible to me. I would not undertake to say what it means. It has something to do with the World War I debt.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. TUNNELL. I was going to ask the Senator what effect he thought paragraph (2) would have on the bases built by the United States in England? I understand that on the island there are perhaps 150 bases which were built by the United States.

Mr. FULBRIGHT. Yes; there are a great many.

Mr. TUNNELL. There are many such bases. I am wondering whether that language would require them to be turned over to the United States?

Mr. FULBRIGHT. Under the language of paragraph (2) "Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain," the bases in England would be under our control. That is quite true. I think there were at least 150 built by us. I saw several of them. I saw one which covered several thousand acres. I presume that would be necessary.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BREWSTER. I hope the Senator has checked that. It has been my understanding that in the United Kingdom the bases were all constructed under reverse lend-lease; that they were not constructed by Americans, but were constructed by the British. I think that statement is correct.

Mr. FULBRIGHT. Mr. President, my attention was distracted for a moment. I am sorry, but I did not hear what the Senator said.

Mr. BREWSTER. It is my understanding that the bases in England were

constructed under reverse lend-lease. We furnished some of the building material, but the British built them for us, and simply credited us with reverse lend-lease on them.

Mr. FULBRIGHT. Some of them?

Mr. BREWSTER. I think all of them.

Mr. FULBRIGHT. That was done by reverse lend-lease. But I do not know why, if it was reverse lend-lease, and there is a balance in our favor, we could not set up a bookkeeping transaction. They belonged to us, and we paid for them through lend-lease.

Mr. BREWSTER. No; it is my understanding that the British entirely built those bases, so they would not come under the provisions of paragraph (2).

Mr. FULBRIGHT. Mr. President, I regret having taken more time than I should have taken on this subject, and I must decline to yield further. I wish to conclude my remarks.

There was one further thought I had concerning the remarks of the Senator from Arizona, in which he laid great stress upon the sacrifices of our boys in taking these bases. I want to ask the Senator a question about that. How many of our boys suffered and died in taking the bases on Newfoundland or in the Caribbean or on Bermuda? I do not recall that any of them did. Apparently the Senator was trying to inject into his argument the losses which we suffered on Okinawa and Iwo Jima but it is not my understanding that those bases belonging to or are controlled by the British, or have anything to do with this agreement. It seems to me it is not quite appropriate to seek to confuse the issue by bringing in what happened on those bases which we have already acquired, and, so far as I know, are going to keep.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. BARKLEY] is recognized.

Mr. BREWSTER. Mr. President, I understand it is agreeable to the Senator from Kentucky for me to proceed at this time.

Mr. BARKLEY. Am I to understand that the Senator from Arizona is giving of his time to the Senator from Maine?

Mr. BREWSTER. Yes.

The PRESIDING OFFICER. The Chair will ask the Senator from Maine, in whose time is he proposing to speak?

Mr. BREWSTER. In the time of the Senator from Arizona.

Mr. McFARLAND. I yield 10 minutes of my time to the Senator from Maine [Mr. BREWSTER].

The PRESIDING OFFICER. The Senator from Maine is speaking in the time of the Senator from Arizona.

Mr. BREWSTER. It almost seems to me we are back in the House where we would obtain 10 minutes of another Member's time occasionally.

Mr. BROOKS. Mr. President, will the Senator yield to me?

Mr. BREWSTER. I yield.

Mr. BROOKS. I realize full well the importance of the pending legislation, and particularly the pending amendment, and I shall be present to vote on it; but I ask unanimous consent that after that vote is taken I may be absent from the Chamber of the Senate for the remainder of the afternoon.

The PRESIDING OFFICER. Without objection, the request of the Senator from Illinois is granted.

Mr. BROOKS. Mr. President, for the record I should like to state that if any other votes are to be taken this afternoon, the junior Senator from Wisconsin [Mr. WILEY] has kindly consented to be present and to refrain from voting, observing a pair with me.

My bride to be and I are fully conscious of the importance of the legislation and the problems confronting the Nation at this moment. We are, therefore, not leaving the city, but I am happy to have obtained unanimous consent to be absent for the remainder of this afternoon so that I may attend my own wedding.

Mr. BREWSTER. Mr. President, I want first to make it clear that through the past 25 years, while the Senator from Arkansas was accumulating his enthusiasm for international collaboration, it has been the part of the Senator from Maine to welcome all proposals along that line, and to give them my support in public life. I think almost without exception from the day 25 years ago when I assisted in forming the League To Enforce Peace, and as the executive secretary of the League To Enforce Peace, supported the late lamented League of Nations in the State of Maine, and all the time I have been in Washington, I have subscribed to all policies calculated to strengthen our collaboration with foreign countries; and also to strengthen our own military organization, the draft, and all similar measures.

In the language of the distinguished chairman of the House Judiciary Committee, Representative SUMNERS of Texas, however, it would seem as though I were here approaching the point where I should have to cash in my checks, as it seems we have gone overboard in somewhat too big a way.

The point which has troubled me greatly is the utter failure of the State Department to consult the responsible body in the Senate, the Foreign Relations Committee, or any other group, in the development of a step which I think everyone will agree must have profound consequences upon our country as well as upon the world. The very opposite of the approach which prevailed in connection with the United Nations and which was so successful in accumulating 91 votes in this body in support of the United Nations—the very opposite course was followed in this instance when we are presented with what may be called an equally fateful decision.

It seems to me that if our discussions here shall do nothing else than to awaken the State Department to the wisdom of continuing the collaboration which it established under the leadership of Cordell Hull in connection with the United Nations, and which proved so effective in gaining the confidence both of the Congress and of the country, we shall have taken a great step forward. With respect to the course which has been followed in connection with other measures, a far less happy picture is presented; and here we have the opportunity to pause.

What has concerned me has been the overwhelming rejection of the proposal of Winston Churchill for an Anglo-American alliance. Opinion in America was seemingly opposed to that proposal, because of what was believed to be its unfortunate consequences upon world opinion, where these great issues are to be decided. However, while the rejection of the proposed Anglo-American alliance was almost universal, we have seen developed through executive action policies which seem nicely calculated to establish in the minds of the world the conviction that such an Anglo-American alliance certainly prevails. I refer to five items in this development which it seems to me we in this body cannot safely ignore, and which are all calculated to cultivate in the minds of the rest of the world—and Anglo-Saxon civilization is only 10 percent of the world—the belief that there is an Anglo-American agreement, alliance, or understanding, and particularly to justify the appeal which Russia is so obviously making to world opinion, that there is an Anglo-American attempt to dominate, if not dictate, the course of world affairs.

In my judgment, nothing could be more unfortunate than for that opinion to seem to the world to be justified. And yet in the past year we have seen negotiated the Anglo-American petroleum agreement, from which Russia was excluded, although she has a third of the petroleum resources of the world. We have seen the Anglo-American Palestine inquiry, in which America had no more interest than has Russia or any of the other members of the United Nations, or any member of the League of Nations. Yet it involved America in some sort of an understanding with Britain on one of the most touchy problems of the world.

The Anglo-American atomic-bomb agreement, with the spirit and purpose of which I am in accord, was executed as the result of a flamboyant trip to America by Mr. Bevin, Britain's Foreign Minister, to make with great aplomb an agreement which was calculated not to please the rest of the world. In my judgment, it would have been much better had it been executed behind a diplomatic barn.

Finally, there is the Anglo-American aviation agreement, which has been denounced by 17 of the 18 members of the Committee on Commerce of the Senate as being utterly a violation of the powers of this body, by the executive department which negotiated it.

We now have before us the Anglo-American loan of \$4,000,000,000. Nothing could be more nicely calculated to convince the world that there is an Anglo-American alliance against the rest of the world. I am an ardent advocate of cooperation with Great Britain. I believe in the British, in their principles, and in collaboration. But if the impression is derived by the world that Britain is writing the ticket in this particular deal, then in my judgment we shall drift steadily toward the day when we shall furnish the catalyst which will precipitate the world into the conviction that America and Britain are going a trifle too far. That is why I think we should proceed

slowly, and why I am in most cordial sympathy with the attempt of the United States Senate to contribute to the negotiation of this agreement by asking that the extremely vital aviation bases shall be permitted to be included in the discussions incident to the agreement.

The proposal seems to me to be modest. It seems to me to be proper. It seems to me to be one which the State Department should properly have taken into its purview long since if it had had either the courtesy, the consideration, or the perception to realize that this coordinate branch of the Government, which must furnish the \$4,000,000,000 out of the pockets of the American people, is entitled at least to be considered and consulted on some of the details of the arrangements, particularly on the question whether or not the aviation fields which we have built around the world at an expense of nearly \$4,000,000,000 should be permitted to be used by American commercial as well as military enterprise.

That is why it seems to me that the pending amendment may well be seriously considered, and that its adoption will simply mean a further step in the realistic approach to the negotiation of agreements that shall be calculated to establish in the minds of the American people, as well as in the minds of the world, that we in America are coming far more realistically to the discussion and consideration of these problems, and that Russia may to some extent be reassured that America is not simply engaged in an anti-Soviet campaign, the results of which are incalculable upon the future peace not only of America, but of the world.

Mr. MAGNUSON. Mr. President, I wish to be brief, but I feel that I should make a statement regarding the pending amendment.

The PRESIDING OFFICER. Will the Senator inform the Chair on which side of the question he is speaking?

Mr. MAGNUSON. I am speaking in the time of the Senator from Arizona [Mr. MCFARLAND].

A few minutes ago the Senator from Arkansas [Mr. FULBRIGHT] intimated—and he may be correct in some instances—that any Senator who would vote for an amendment to this measure might have in mind the purpose of sabotaging the whole proposal. I do not know who has such a thought in mind, but I will say to the Senator from Arkansas that I intend to vote for the British loan whether the McFarland amendment is adopted or not.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. FULBRIGHT. I did not mean to say that the Senator had any such purpose in mind. I said that the practical effect of such an amendment would be to destroy the agreement.

Mr. MAGNUSON. Like the Senator from Georgia [Mr. RUSSELL], I believe, and have believed for many years, particularly since some service in the Pacific, in the necessity of the acquisition by America of certain territory which might be used as military bases. It so happens that much of this territory belongs



to Great Britain or her dominion or colonies. Practically none of it has any economic value to the British Empire. I believe that not only during the war, but since the war has ended, America has not embarked, and is not embarking, upon any imperialistic venture, or attempting to acquire mere real estate, as was suggested by the Senator from Arkansas. She is merely trying to obtain for herself certain tools which she must have in order to carry out the responsibility which she owes not only to herself and her people, but to the people of England and the people of the world. What most of us want, and all that most of us hope to acquire, is the tools to do that particular job.

We built many of these bases. We spent American money. In some cases some of the Allies contributed labor or materials. The situation is far different in this case than it would be if we had our eye on territory in which we had no investment whatsoever. I agree with the Senator from Arkansas that that would be imperialism.

At first I was somewhat doubtful as to the germaneness of this subject to the British loan legislation. After reading the hearings, the reports, and the joint statement issued by the Anglo-American Financial and Commercial Committee, I have come to the conclusion that, so long as we are adding up the debits and credits of this war, we can properly include bases which were built with American money.

I was hoping that possibly the amendment might be so worded that we could either acquire permanently or lease. In some cases one arrangement would be better, and in other cases the other arrangement would be preferable. But it seems to me that without in any way sabotaging the British loan, while we are finishing another chapter in our relations and adding up lend-lease, loans, and all the other things incident to the joining of the two countries in this war, we might at this time also throw in the bases which we so sorely need to help both England and America to maintain peace in this world.

Mr. HAWKES. Mr. President—

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). The Senator from New Jersey is recognized. The Chair wishes to inquire in whose time the Senator from New Jersey is to speak.

Mr. HAWKES. I shall speak in the time of the Senator from Arizona [Mr. McFARLAND], and I shall speak in favor of the adoption of the McFarland amendment to the pending measure, Senate Joint Resolution 138, the so-called British loan joint resolution.

Mr. President, I do not believe there is a Member of the United States Senate who has greater respect than I have for what the British people have done for civilization in establishing, maintaining, and protecting the rights of individual freedom under the philosophy that the people should be the masters of their government, rather than to have the government be the master of the people. I have great respect for the moral fiber and the character of the British people, notwithstanding the mistakes they have made during the past

two or three centuries. I believe their virtues far outweigh their faults.

It was with deep regret that I saw the British people defeat their great war leader, Winston Churchill, after he had rendered to the nation, in an hour of need, a service such as, in my opinion, has never before been equaled by any other Englishman.

Even though I do not believe in the course the Attlee government is taking, I still believe in the moral fiber and character of the British people. They have a right to make mistakes in choosing leadership, just as we have made mistakes in this country; and there are indications that the majority of the British people do not want socialism *per se*.

I am not at this time going into the merits of the British loan under proper terms and conditions. I shall undoubtedly have something to say on that subject before we come to the final vote on the loan joint resolution.

Mr. President, the sponsors of this loan say its purpose is to create a better relationship and better understanding between the people of the United States and the British people.

I feel a deep sense of responsibility to the American citizen who must pay the bills for any mistakes we in the Congress and the Government may make. If I were voting my own money, I might do it on an entirely different basis than the one on which I am willing to vote to loan or give away the money of the American citizen, who already is saddled with a debt of approximately \$275,000,000,000.

We contend we wish to find a balance in equity and justice between our two countries. If that be so, then why should not we do now the thing which will start us toward that balance?

We are releasing Great Britain from a \$20,000,000,000 obligation under lend-lease. If this loan is made, we shall release her from approximately \$6,200,000,000 of war debt, with interest, from World War I. If this joint resolution passes, we shall have sold her \$6,500,000,000 worth of war supplies and materials, a great portion of which can be successfully used for peacetime purposes. This sale will be made for \$650,000,000, or 10 cents on the dollar.

To bring about this balance in equity and justice with a hope for some kind of a balanced trade, we have appropriated approximately \$6,000,000,000 for the Bretton Woods Bank and International Fund. We have authorized loans through the Export-Import Bank up to \$3,500,000,000.

Exhaustive statements have been made on the floor of the Senate to the effect that if we make this loan without any security or collateral, we shall have great difficulty in refusing other nations who were allies and who are now also in distress.

The terms of the loan are cleverly conceived in such a way as to deceive the average American, even though the terms might be justified under the conditions. I believe that the average American should be told frankly that the chances are about 10 to 1 that Great Britain will never be compelled to pay the interest on this loan; yet our Government must pay interest to our citizens for the

money which we lend to Great Britain, and we are requiring the American veterans to pay interest on the money which is loaned to them in small amounts.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HAWKES. I cannot yield. I should like very much to yield, but I must conclude.

Mr. President, the time is short, but I must say that if I were high up in the councils of the British Nation, I would have begged my government to notify the Government of the United States that in the interest of finding a balance in equity and justice, Great Britain proposes to give to the people of the United States the very rights and privileges which the McFarland amendment demands as a condition of the British loan.

We are talking about making friends. There are millions of people in the United States who feel that Great Britain should do something which clearly lies within her power to do at this time. They feel that these rights to the use of military, air, and naval bases should be established now, if the countries are acting in good faith. If Great Britain had offered to do this voluntarily, she could have made friends of millions of our people who now are looking at her with suspicion.

As one American I am becoming tired of seeing our Government do all the giving, in return for promises to discuss situations in the future. That is not the way America was built, and so far as I know, it is not the way any business under freemen ever was built.

I cannot forget that we threw into the vortex of World War II the lives of more than 12,000,000 of our best citizens. We left buried more than 250,000 of our finest citizens, and we suffered casualties of more than 750,000 additional, most of whom will remain incapacitated as long as they live. We have spent, outside of lend-lease, between \$150,000,000,000 and \$200,000,000,000 to aid the cause of freemen and free institutions.

I hope this amendment will be adopted and made a part of the British loan procedure. We shall be in a safer and better position in our loans to other countries if Great Britain gives something tangible in return for this loan which she needs. If she is sincere, as I believe she is, in stating that she wishes to cooperate fully with our great Nation to establish equity and justice in all our relationships, then this demand on our part should not in any way embarrass her.

I hope that if this proposed loan is made, it will be made in such a way as to build real understanding and friendship, because words are of little value unless the actions which follow the words keep faith with the meaning of the words. In the interest of the preservation of individual freedom and the kind of economy which can only exist under men who are free in fact, and not merely in word, I hope this amendment will be adopted; for I may then vote for the loan with the feeling in my own heart and conscience that I have honestly and intelligently served the interest of all Americans, as well as having been kind

and considerate to the British people in the hour of our mutual need and, I hope, our common objective—the preservation of true, individual freedom.

Mr. President, I cannot agree with the argument that the loan will have to go back for complete renegotiation, in the event this amendment is adopted. From my point of view, all that will be necessary will be for the British Government to decide whether it is willing to fulfill the requirements of this amendment. Of course, if it refuses to do that, then the loan will have to be renegotiated; and if it is, I hope the representatives of the United States of America will see to it that the loan agreement has mutuality and good and valuable considerations, the giving of which lies clearly within the hands of those asking for the loan.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 29 minutes.

Mr. BARKLEY. I yield 5 minutes to the Senator from Arizona.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at the end of my remarks, in connection therewith, a brief statement which I issued on February 15, 1946, relative to the British loan.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. HAYDEN. Mr. President, I shall read the last three paragraphs of the statement at this time:

In his recent address to the Russian people, Premier Stalin announced a definite plan for a great expansion in the industrial development of the Soviet Union and frankly stated that this is to be done in order to increase the military might of that nation. Judging the future by the past, Russia will accomplish that result—which raises the question as to whether 25 years from now it will be to the advantage of the American people to have the British Commonwealth of Nations strong, prosperous and friendly to us. To me it appears obvious that in helping them we are also advancing our own interest in both the near and more distant future.

Since the Federal Government was established, every generation of Americans has gone to war. These wars began in 1812, 1846, 1861, 1898, 1917 and 1941 on an average of about a quarter of a century between them. After every war the American people have assumed that it was the last one; that we could isolate ourselves from the rest of the world; that economic conditions in other nations are of no concern to us. Two world wars have taught us that such an assumption is utterly false.

We all hope and pray that the United Nations can find a way so that the children of today will not have to endure a Third World War in which air power, the atomic bomb, and other improved weapons of destruction may be used with quick and devastating effect. For my part, I shall do what I can to see that the English-speaking people of the world remain friends and able to unite with strength to fight, if necessary, for their freedom.

Mr. President, with reference to the pending amendment, I may say that if the assumption is that our next war is to be with Great Britain, by all means let

us acquire these British bases. But if our next war is to be with Russia, then it is much better to leave the technical title to the bases as it is, because they are so located as to be of but slight advantage to us except with active British cooperation.

Based upon 19 years' experience as a member of the Senate Committee on Territories and Insular Affairs, I say that the smartest thing that was done after the Spanish-American War was to make Cuba free. The next wise move was to promise freedom to the Philippines, which is soon to be attained.

The worst mistake was to annex Puerto Rico, and the next worst mistake was to purchase from Denmark, as an outlying defense of the Panama Canal, the Virgin Islands which the advent of the airplane has made worthless. No base can effectively be acquired without taking also the people who live on it. Millions of dollars have been appropriated from the Federal Treasury, and many millions more will be spent with no hope of bringing the people of Puerto Rico and the Virgin Islands up to the American standard of living.

Because of overpopulation and its race problem, Jamaica is as much of a headache to Great Britain as Puerto Rico and the Virgin Islands are to the United States, and I do not doubt that the British would be glad to give us the whole island, with all of its internal troubles. But if they did so, Jamaica would soon ask for admission into the Union just as Puerto Rico and Hawaii are now demanding it.

With respect to the military and naval bases now under lease from the British, this is the time to let well enough alone.

#### EXHIBIT A

##### STATEMENT BY SENATOR CARL HAYDEN

I shall support the joint resolution to authorize the British loan because of the following considerations:

1. The Second World War came after years of world-wide business depression. Wars are fought for economic even more than for political reasons, and it follows that a prosperous world is more likely to remain at peace. We are, therefore, justified in promoting prosperity throughout the British Commonwealth of Nations as a means of insuring the peace.

2. More than 40 percent of our foreign trade is with the people of the British Empire, and they carry on almost half of the foreign trade of the world. Certainly it is to our advantage to have our best customer prosperous and in a position to promote prosperity in other countries.

3. To get this credit the British agree to the removal of trade restrictions so that American traders can enter their markets on fair and equal terms. Our own prosperity depends upon greater world trade, and we know that we can successfully compete in the world markets if trade and currency barriers are removed. In my opinion, this is the most important feature of the British loan agreement.

4. The Secretary of the Treasury, Mr. Vinson, has very properly said that the British credit is in no way a precedent for loans to other nations because no other country has the same strategic position in world trade. What the British do is of the highest significance in determining what kind of a world economy we are going to have.

5. In his recent address to the Russian people, Premier Stalin announced a definite plan for a great expansion in the industrial

development of the Soviet Union and frankly stated that this is to be done in order to increase the military might of that nation. Judging the future by the past, Russia will accomplish that result, which raises the question as to whether 25 years from now it will be to the advantage of the American people to have the British Commonwealth of Nations strong, prosperous, and friendly to us. To me, it appears obvious that in helping them we are also advancing our own interest in both the near and more distant future.

6. Since the Federal Government was established every generation of Americans has gone to war. These wars began in 1812, 1846, 1861, 1898, 1917, and 1941, or an average of about a quarter of a century between them. After every war the American people have assumed that it was the last one; that we could isolate ourselves from the rest of the world; that economic conditions in other nations are of no concern to us. Two world wars have taught us that such an assumption is utterly false.

7. We all hope and pray that the United Nations can find a way so that the children of today will not have to endure a third world war, in which air power, the atomic bomb, and other improved weapons of destruction may be used with quick and devastating effect. For my part, I shall do what I can to see that the English-speaking people of the world remain friends and able to unite with strength to fight, if necessary, for their freedom.

WASHINGTON, D. C., February 15, 1946.

Mr. BARKLEY. Mr. President, I yield 5 minutes to the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President, at the time when negotiations were being conducted with reference to the settlement of lend-lease and surplus property, as a member of the Mead committee I saw fit to criticize the settlement because I did not believe it to be a good settlement for the United States. But it was made by our Government, and therefore it represents a binding agreement.

Recently, I had occasion to travel through the Caribbean area and I saw the bases which we had acquired by virtue of the so-called destroyer deal. I have always believed that a mistake was made in negotiating that deal, in that we should have acquired for use in the future, even if for only 99 years, some air rights so far as commercial planes were concerned. However, I wish to say, Mr. President, that that deal was also one made by an Executive agreement. I believe that our country must recognize the sanctity of contracts, and that when we enter into a contract, even though it may not be in conformity with majority opinion, it is, nevertheless, a binding obligation of the United States.

I feel that the contract to which reference has been made is a binding agreement. I do not agree with it. I think we should have commercial air rights extending for a longer period of time than has been agreed to. But be that as it may, a contract has been made. We are now being asked that the contract shall be set aside and a new agreement entered into.

I am having trouble with the pending amendment because of this aspect which it presents: We are not to acquire rights in the bases in the Caribbean area which were acquired in return for the destroyers; we are not to acquire rights in the other British Empire bases for what we do in connection with the present agree-



ment; but we are to be bound by the following language:

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War.

And so forth. That language has nothing to do with the \$3,750,000,000 which it is proposed to loan to Great Britain, but it concerns only the First World War indebtedness of Great Britain to the United States.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. REVERCOMB. Granting that the position taken by the able Senator from Michigan is entirely sound, is it not a fact that parties to any contract may always mutually agree to reframe the contract? As I see the situation, the pending amendment would not compel our friends in the United Kingdom to make a change in the agreement. There could be no compulsion in connection with it. But may we not have the negotiators work toward the end of agreeing to reframe the contract?

Mr. FERGUSON. Mr. President, there is no doubt that two parties to a valid and executed contract may sit down and mutually agree to open the contract and insert new terms or conditions. But in the present instance we are not doing that. We say—

The PRESIDING OFFICER. Under the agreement, the Senator's time has expired.

Mr. BARKLEY. Mr. President, I yield one more minute to the Senator from Michigan.

Mr. FERGUSON. In that time I shall endeavor to complete my sentence.

The condition which the amendment would impose would require Great Britain to adjust the First World War debt. It has nothing to do with what she would do in the future under trade agreements, or under the negotiated agreement, but she would be required to adjust equitably the First World War debt.

For that reason as well as others, Mr. President, I shall be compelled to vote against the amendment.

Mr. McFARLAND. Mr. President, how much time have I left?

The PRESIDING OFFICER. Fifteen minutes.

Mr. McFARLAND. I yield 15 minutes to the Senator from Maryland [Mr. TYDINGS].

The PRESIDING OFFICER. The Senator from Maryland.

Mr. TYDINGS. Mr. President, during the 1930's on several occasions I advocated on this floor the cancellation of the war debts owed by France and Britain to the United States resulting from World War I. I did that not because the debts were not lawfully owing to us, but because it would be impossible for England and France to repay the debts without inflicting upon the world economy, and eventually our own, disadvantages greater than the temporary advantages which the payments would bring to us. I believed then, as I believe now, that war debts occasioned during the course of a war should have been canceled

when the war was over, for the very obvious reason that it was theoretically possible but practically impossible for such debts to have been repaid.

During the recent war, when the lend-lease bill was before this body, I humbly addressed myself to that measure and said that the title of the bill was a misnomer, that we should change the title, for the bill was neither a lending bill nor a leasing bill. It was by title a piece of subterfuge and bunkum, for the title caused our people to suppose that there was going to be in substantial measure a return for the billions of dollars of goods we were then giving our allies in the common struggle.

I voted for the lend-lease bill notwithstanding its misnomer. I now for the third time, with that brief background, would like to say something about the pending joint resolution. It is no more a loan measure than I am an Eskimo. The joint resolution itself proves that, because it is full of provisions that the debt and the interest shall not be paid unless certain things occur, and shall not be paid if other things do not occur.

As a matter of fact, Britain is less able to pay this proposed debt today than she was to pay the war debt after World War I, for the very obvious reason that with World War II the economy of the whole world—and particularly of Britain—has shifted. Whereas, before World War II, to take one instance, the tide of money was from India toward Britain in exchange for services and manufactured goods, since the war the tide of trade is to India from Britain, due to the industrialization of much of Asia, and to the fact that India has become a creditor and Britain a debtor to India in the interim.

Therefore, if we candidly view the factors which enter into the new world equation, what is proposed is, in the last analysis, a gift to the British Government, and so it will be found to be as the years unfold.

I do not mean to say that there will not be some payments made on this proposed loan; I do not mean to say that there will not be some interest paid on it. What I do mean to say is that if it goes through as it is now before the Senate, by and large the bulk of it will never be repaid to the American people because we cannot afford to exact payment, and if we do, we shall do to the cause of Britain more harm than the extending of this gratuity will mean in the way of assistance.

It would be a sad world without the British. With all their faults and shortcomings—and we have ours, too—I should not like to see a Europe without a Britain in it, without the voice of the Anglo-Saxon liberties and institutions always raised there to stabilize the disagreements and conflicts on the Continent. Therefore, it is in no spirit of antagonism that I speak of the British.

I think probably I was the first one to advocate on this floor the cancellation of World War I debts. They were as good as dead anyway, and had we canceled them, at least we would have gotten some credit for a generous act. I voted for lend-lease, and I have no regrets that we were able to extend to the British aid by way of billions of dollars

of goods and materials to save both British and American life, and to aid in the common cause dear to us all. This proposed British loan is cleverly designed, with the same word trappings of lend-lease and World War I debts. That design is to get this measure through. Any man who will take himself into the closet where he can be quiet with his conscience and his intellect, and think of the proposed loan for an hour, must reach the conclusion that the repayment of the loan will be extremely hazardous and doubtful.

Why, therefore, do I support the pending amendment? I support the amendment because in part, at least, it will give some degree of security, or quid pro quo, if you wish, for the good American dollars we are handing over to a country which I should like very much to aid if I could.

I shall take this opportunity to propose perfecting amendments to the pending amendment, which I ask to have voted on before the amendment itself is placed before the Senate for decision. On page 2, line 1, after the name "United States", I propose to add "for a fixed sum", and in line 5, on page 2, after the name "United States", I propose to add "for a fixed sum", so that in the event we secure these bases we will secure them for a fixed sum. We should not expect the British to give them to us simply because they are getting a loan from us. We should be willing to pay for them, and unless we do pay for them, we are in the position of holding a pistol to a man who is in need and saying, "Because you need money, I want you to give me something which I have always wanted." We should buy them if we are to get them at all, or we should not take them. It is not fair, in my judgment, unless we make a specific payment for them, to put the British or ourselves in such a position.

Mr. HATCH. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I should prefer not to yield, because I have only a few minutes. The time has been reduced by half already, and I am afraid I cannot develop my thoughts very well in the time I have left, much as I should like to yield.

Mr. President, I have likewise in mind that when the measure passes the Senate as amended by the pending proposal, it will go to the House of Representatives. If it were not to go any further than this body, I doubt if I could vote for it in its present form. I am going to vote for it partly on the supposition that when it gets to the House it may be further amended and improved, so that something tangible—may I say frank and forthright?—will finally come from both Houses, because, in my opinion, to call this a loan bill is not in any sense accurate.

I likewise am wondering whether we are wise in committing our Government to the policy of international loans in time of peace. It may be said that technically we are at war. Technically we are, but actually we are not at war. The surrender terms have been signed both in Germany and in Japan, our men are being brought home, our Army is being demobilized. Technically we may be at war,

hostilities may still be on, but in reality we are at peace.

I have tried to project my mind down the corridor of time, and I am wondering whether in making this initial step we are not beginning a loan policy which may come home to plague us 5, 10, 15, 25, or 100 years from now. I do not think that will be the only loan. The world is so sick and so sad that, if this loan is made, there will come knocking at the doors of the Congress nations from all over the world.

Already we are giving up our goods and substance to feed millions of people, giving through UNRRA, and in many other ways we are finding excuses for donating our surplus war goods. Now we are a rich country, we have enormous resources, we are a great people, but Mr. President, have we taken stock yet of the full costs of the war?

I remember the period of the 1920's, when prosperity came along, when the stock market boiled, when people were saying we were in a new, golden era, and "This is but the beginning of what our ancestors worked for, a sort of economic and financial heaven here on earth." I remember the long weary years of the depression which came. Then we were hard put to it to maintain our financial institutions, and revive and resuscitate the country. Is there a Member of this body who thinks those days are gone forever? Is there one here who thinks that nevermore will we have a depression equal to the one we had, or worse?

My own humble opinion is that after we have gone through the cycle of replacement, as we went through the cycle after World War I, and the market goes up, and everybody is buying and everybody is working, and credit runs out here and there, we will fall into another depression. It will not make any difference whether the Democrats are in control or the Republicans are in control; it will be human nature which will bring on the depression. It will be the kind of human nature, acquisitive human nature, if you please, that will overstep itself, and will plunge everyone into the abyss.

Our present debt is nearly \$300,000,000,000. We are not going to have a credit that is practically limitless, as we had before. So I think it would be well to take stock of the whole situation before we put our imprimatur on the joint resolution and send it over to the other body.

Mr. President, I think the pending amendment is a good one. I am assuming, of course, that those who would administer it would do so with some judicial approach. I am assuming that we would not merely grab everything because perhaps we could, but that we would be fair and tolerant, and work out something which would be beneficial to the British, to ourselves, and to the world. If we paid for the bases, at least we would have the satisfaction of knowing that we got something back definitely for the money of the American taxpayers.

If we are not to have this amendment in the joint resolution, if we are not to have anything like that in it, and knowing full well in advance that most of the loan is probably never to be repaid, I question whether I have the constitu-

tional right to stand here as a representative of the American people and tax them to extend a gratuity to another country which owes no sovereignty to our flag, and no obligations of citizenship.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Maryland to the amendment of the Senator from Arizona.

Mr. O'MAHONEY. Mr. President, before the Senator from Kentucky left the floor I indicated to him that I would like to speak for not to exceed 5 minutes upon this matter. As I have listened to the discussion which has taken place upon the pending amendment and upon the loan, I have been impressed with the thought that Senators are losing sight of the essential question, and are allowing their minds to become confused over details of a day that has gone by. I doubt if Members of the Senate will ever be called upon to cast a more important vote than that which is to be cast upon this amendment and upon this loan.

No one, Mr. President, can accuse me, I am sure, of being an Anglophile. I am not. But I perceive upon the horizon of world affairs the greatest crisis that humanity has confronted in a thousand years. We are facing now a decision whether or not in the years to come this world will be committed to the principles of individualism, of individual human freedom and opportunity, or whether it will be committed to a system under which the people will be dominated by either private or public monopoly. I think we tend to lose understanding of this issue by reason of the fact that the British Empire is controlled largely by those who do believe in a system of private monopoly.

But, on the other hand, Mr. President, there never has been a time to my knowledge when an issue of human rights has been presented to the people of Britain that their decision has not been upon the side of human rights.

If this loan is denied—I am willing even to call it a gift—if this loan is denied, Mr. President, it seems to me it will inevitably drive the British Government and the British people into the hands of either private or public monopoly. It will mean an invitation to totalitarianism upon the one hand or to the domination of our commercial life and therefore of our political life by a small group of private international monopolists who would seize economic control.

We are dealing here, Mr. President, not with a loan, not with a business deal. We are dealing here with the question of whether or not we are willing to expend \$3,750,000,000 for the purpose of creating an opportunity to build permanently individual peace and liberty and freedom in the world. I can see no other issue. If we attach to this loan an amendment such as that which is now before us on our desks providing that there shall be no payment made, no agreement signed, until some other agreement is made and signed, then Mr. President, we are postponing action upon this matter to the indefinite future. This loan is needed, Mr. President, and it is needed now to save individual liberty in

the world by enabling the British to recover from the devastating economic effects of the war.

The action of the present British Government yesterday in removing or ordering the removal of its troops from Egypt, and its action in other recent instances, clearly indicate to me that we now have in Britain, not the imperialistic government seeking to reestablish a system of colonial exploitation but a government which is trying to uphold the ideals upon which this country is founded, the ideals of human freedom which are the hope of the world. Britain may not be moving as rapidly toward this goal as we would like. It may not achieve that goal, but if we impose hampering and delaying conditions there will be no possibility of progress and we shall be left alone in the world as the champions of the ideals of popular government.

Mr. BARKLEY. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from Kentucky has 25 minutes.

Mr. BARKLEY. I yield 5 minutes of that time to the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, I had not intended to speak at this time on this particular amendment, but as the arguments have been made I feel impelled to call attention to some of the things which the amendment does not do. The Senator from Maryland has just pointed out, and I use his language, that the loan is not "an honest loan"; that it is not an honest proposal. I ask if this is an honest amendment? Does this amendment have anything to do with the proposed loan? It does not. By its very terms it admits the need of Britain to have the money, because it would not reduce the amount of the loan 1 cent. It admits our obligation to make the loan, because it does not change the obligation by 1 cent. Under this amendment Great Britain will get the whole sum of \$3,750,000,000.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HATCH. The Senator from Maryland refused to yield to me, and I cannot yield to him.

Mr. TYDINGS. I wanted to make the statement that there is a provision at the end of the amendment the effect of which is that the loan is reduced by anything paid for the bases.

Mr. HATCH. The loan is reduced by anything paid for the bases, yes, but primarily such payment would go toward canceling the First World War debt. That is the purpose of the provision. But the loan in its greater part will be made just the same; the debt will be increased just the same; the interest will be paid or not paid just the same, and the damage or injury to our economy will be just the same whether the amendment is adopted or not.

The only point I rose to make was this: Why adopt this amendment now on the main proposal? We are faced with an issue with respect to which there is an honest difference of opinion. Some Senators believe the loan should be made. Others believe it should not be made. Why not face that issue frankly, openly



and bravely, and either vote yea or nay on the main proposition? Why involve it with a side issue which will not change the material results at all? I certainly hope, for that reason, if for no other reason, that the amendment and all others of like kind will be defeated, and that the Senate may honestly express itself on the main proposal.

Mr. BARKLEY. Mr. President, I believe I have 20 minutes left.

The PRESIDING OFFICER. The Chair is advised that the Senator from Kentucky has 22 minutes remaining.

Mr. BARKLEY. Mr. President, I feel very deeply about this amendment. It may be that because circumstances have forced me to be in charge of this joint resolution approving the financial agreement between the United States and the United Kingdom, that I have worked myself up into the very deep conviction that what the Senate ought to do and what the Congress of the United States ought to do is to vote for or against the agreement as it has been negotiated.

Mr. President, this agreement was negotiated under the direction of the President of the United States, who served here for 10 years as our colleague, and who, I think, is as patriotic and as honest and as much interested in the welfare of this country as any of us who still remain here in the Senate.

It was negotiated through the agency of the Secretary of State, who served for many years in the House and in the Senate, who served on the Supreme Court of the United States, and in other capacities, and is now the Secretary of State. I am sure that no Member of the Senate will deny to Secretary Byrnes the quality of patriotism and devotion to his country. I am sure no Senator in this Chamber will assert that Secretary Byrnes is less interested in or less devoted to the welfare of the United States than is any one of us.

It was negotiated also through the agency of the Secretary of the Treasury, who served for many years in the House of Representatives, was appointed to a lifetime position of security on the bench, and who abandoned that lifetime security in order that he might perform even greater duties in the executive branch of our Government. I dare say that no Senator, and no Member of the other body, would say that Fred Vinson is less devoted and less patriotic than we are. Yet, Mr. President, we are asked, by the adoption of this amendment, to say to the country which we represent and to the world that the President of the United States, the Secretary of State, and the Secretary of the Treasury did not do this thing right; that they fell down in their obligation to their country because they did not include in this agreement some provision with respect to the bases which are the subject of controversy.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BARKLEY. I am sorry that I cannot yield. I have only a few minutes. Otherwise, I should be delighted. I decline to yield.

Mr. President, I do not like the word "repudiation"; it always carries with it a connotation which to me is obnoxious;

but I do not see how the adoption of this amendment could have any other effect upon us and upon the world than to create the impression that we had repudiated the work of the President, his minister of state, and his minister of finance.

Mr. President, this is the 8th day of May. One year ago today Germany surrendered. Yonder in the city of Paris the Secretary of State, accompanied by two of our honored colleagues, the Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations, and the Senator from Michigan [Mr. VANDENBERG], are struggling against all sorts of forces, all sorts of reactions, and all sorts of selfish desires in order to try, 1 year after the surrender of Germany, to work out something which has the semblance of peace, in order that quietude and repose may come to the distressed peoples of the world. I am sure that it would be music to their ears, as they sit around the council table, to be told that the Senate of the United States had adopted an amendment requiring the renegotiation of the agreement which we are considering, an amendment which would require the postponement of any further proceedings beyond the present fiscal or calendar year, the result of which might be the collapse of the Bretton Woods agreements and the collapse of the negotiations now in progress in Paris to try to bring peace in Europe a year after the end of the war.

Without regard to politics or geography, without regard to the effect which it may have upon the political fortunes of Senators, I ask them in all sincerity, Are they willing to take the chance involved in sending to Paris this day a message such as will be carried if this amendment is adopted? I am not willing to do it. Regardless of any sophistry which may be indulged in here, the adoption of this amendment would, in my judgment, sound the death knell of this British-American agreement.

Suppose the situation were reversed, and that we were asking for a loan from Great Britain or any other country. Thank God we are not in a position where we have to do it, but let us reverse the situation and suppose that we were asking for a loan. Suppose that we had agreed to the terms of the agreement which had been negotiated after laborious work, and that that agreement were now pending in the British Parliament, or some other parliamentary body. Suppose that an amendment were attached to the measure providing that not a dollar should be paid under the agreement until the Government of Great Britain, or such other government as might be involved, had negotiated an agreement with the United States by which we would surrender our territory, our bases in Alaska, Puerto Rico, Hawaii, the Philippine Islands, the Virgin Islands, or anywhere else on the face of the earth. Then suppose that such an agreement, with the amendment which I have described, should be brought back here for consideration. Not a Senator would vote to ratify such an agreement. Every Senator knows that to be so. Yet we are asked to adopt

an amendment which would send the agreement back to be renegotiated by those who negotiated it in the beginning. It would have to be returned to the Parliament of Great Britain to be passed upon again. Under those circumstances I do not believe that any self-respecting government could afford to agree to such a proposal. While I am not steeped in the intricacies and mysteries of British parliamentary law and procedure, I have a very deep conviction that any government which would agree to such a proposal at the end of a shotgun—as this proposal is—would fall within 48 hours.

Mr. President, a while ago I spoke of the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], who are now in Paris with the Secretary of State. Before he left, the Secretary of State, in a public statement, asked the Congress to approve this loan—not to nullify it, not to undermine it, not to create the impression that while we might vote for it, we desired to surround it with such restrictions, handicaps, and hurdles as ultimately to defeat it. Regardless of the intention of any Senator in voting for this amendment, I assert that in my judgment it would defeat this British-American agreement.

The Senator from Michigan made a speech in the Senate, one of the ablest he has ever made. We listened to it with enthusiasm. We were thrilled by his sincerity and his logic. He asked us to vote for this loan without amendment. I have the following message from the Senator from Texas, dated at Paris, May 2:

Among other things, I regard it as important, in view of the situation in Europe and the promotion of world peace, that the British loan should be granted. I therefore authorize you to arrange for me a pair in behalf of the loan.

The Senator from Texas is in Paris. He is now in the vortex of European controversies, assessing the moral, economic, and psychological effect of this loan upon the negotiations in which he is engaged.

So far as I am concerned, I am not willing to take a chance—and I hope the Senate is not willing to take the chance—of making any contribution to the necessity for our representatives in that conference in Paris returning home empty-handed, without any visible evidence of the settlement of the vital controversies with respect to the peace in Europe.

The world is growing impatient. In Europe the war has been over for a year. In Asia it has been over since last September. The men and women who have borne and will continue to bear the brunt of this war, those who have borne the taxes, drawn the water, and hewn the wood in all wars of the past, and will do so in all future wars, are growing impatient, after all the sacrifices and all the expenditure of treasure by the governments of all the nations, to know when peace is at last to settle upon the world, and whether they may rise from their stooped postures and look their fellow men in the face and hope that peace, repose, quietude, and cooperation among the nations may be the order of

the day, and that the world may organize for peace instead of for war.

The Senator from Arizona [Mr. McFARLAND] has stated that he intends to file in the RECORD a list of 90 bases. Eight of them are on the Atlantic coast. With respect to those, we obtained leases for military and naval purposes, in exchange for some old destroyers. The arrangement was made because of World War II, upon the verge of which we were then tottering. In my judgment if the leases had run only for the duration of the war, purely as a military and naval protection to our country in order that we might use them in our defense, there would have been no great outcry in this country because of the terms of the leases. But they were not entered into merely for the duration of the war. They were entered into for 99 years, and they now have 94 years to run until they expire. While it is true that they were entered into so that we might use the bases for military and naval purposes, the Government of the United States, through the State Department, has already, after long and tedious negotiations with the Government of the United Kingdom, entered into an agreement for their use for commercial aviation, without restriction and without discrimination, during the 99-year life of the leases. Yesterday, not because this vote was thought to be coming yesterday, not because it is coming today, but because the negotiations had reached such a point over a period of months that our Government and the British Government were able to make an announcement, it was announced that the two Governments had agreed upon the use of those bases on the Atlantic seaboard from Newfoundland to Trinidad for commercial aviation during the life of the leases. A British mission is now on its way here to write the agreement in terms which are to be signed by the two Governments.

What other bases are there? Mr. President, I think the Senate ought to understand that our Chiefs of Staff, both of the Army and of the Navy, have never yet decided which of the bases in the Atlantic they are going to need. They have reached no decision about that. Who knows whether 20 years from now they may be outmoded? Twenty years from now atomic energy may have made them obsolete. Twenty years from now they may be useless so far as any military or naval protection may be concerned. Yet we have a 99-year lease upon them. Surely within 99 years the world will have undergone such transformations in its methods of warfare and in its psychological approach that we shall know by the end of 99 years whether we need these bases or whether we do not need them.

But, so far as the bases in the Pacific are concerned, they have not even been named, because for military reasons it was not thought wise by the Army or the Navy to identify the bases we had fortified or built. Certainly in the Pacific our Army and Navy and our Chiefs of Staff, our Secretary of War, our Secretary of the Navy, and the President himself have not been able to determine as yet which of the bases we fortified and

built in the Pacific we need to hold permanently. Yet, Mr. President, the amendment we are now considering proposes that not a dollar of this \$3,750,000,000 shall be expended until the President of the United States has negotiated and the Congress of the United States has ratified a treaty or an agreement for perpetual ownership of these bases on which we now have a 99-year lease.

Oh, Mr. President, it seems to me that this great body, of which I am proud, and of which we are all proud, ought not to sidestep this proposition. It ought not to sail under any illusory colors. If we do not want to ratify this agreement, we not only have the power to reject it, but it is our duty to reject it, whatever may be the consequences to us and to the world. But I do not desire, for myself or for my country, to take a position that will drive our ally into arms into which we do not want her to be folded. I do not want our Senate or our country or our philosophy or our Government to follow a course which will compel, in self-defense, the pursuit of a course which may be required by the very elements of self-preservation, in view of the chaos and confusion and cross-currents of power politics which we see all over the world today. I do not want our Nation to be a party to the so-called power-politics bloc.

Mr. President, if we do not wish to make this loan, if we wish to act in a way which may seem petulant, because we were not invited to sit in on the negotiations—as we might well have been; I have felt that it would have been the part of wisdom for the Secretary of the Treasury and the Secretary of State to have invited someone from the Senate and someone from the House of Representatives to sit in on the negotiations, but for reasons which I am sure appealed to them as sound, that was not done—shall we vote against the agreement which they laboriously worked out? Shall we vote against the agreement merely because none of us sat in at the negotiations and looked over the shoulders of the negotiators, while the agreement was being drawn up?

I do not believe this great Senate will reject this agreement which holds so much for the economic and political welfare of our own country and, then, of the world because we did not participate in the actual writing of the terms and of the bond.

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, I hope with all my heart that this amendment will be rejected.

Mr. McFARLAND. Mr. President, I have only 3 minutes in which to answer what has been said.

First, I wish to ask that the perfecting amendments offered by the Senator from Maryland be adopted as a part of my own amendment, and that the entire amendment be read at the conclusion of my remarks.

The PRESIDENT pro tempore. Does the Senator from Arizona desire to modify his amendment in that way?

Mr. McFARLAND. I do.

The PRESIDENT pro tempore. The Senator has a right to modify his amendment.

Mr. McFARLAND. I modify my amendment accordingly, and also with the modification which I have heretofore sent to the desk, all of which I ask to have read at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, that will be done.

Mr. McFARLAND. Mr. President, much has been said about the the military use of these bases. I am not nearly so much interested in the military use of these bases as I am in their proper peacetime use. I have no fear that if another war ever comes, Great Britain will not give us the use of any bases which we might want. Oh, Mr. President, in that case, she would come to us and beg us to use those bases. There is no question in this amendment about the military use of these bases.

The question here is the peacetime use of the bases. The question has been asked in the Senate: Is this an honest amendment? Mr. President, I say that if we consider the collecting of an honest debt an honest matter, the amendment is an honest amendment. There is no question about that. If it is honest to collect an honest debt, then the amendment is an honest amendment.

So, Mr. President, the whole question before the Senate is: Is it right and just for us to ask for the use of these bases? If we take the words of Secretary Wallace, the words of Mr. Vinson, and the words of the other witnesses who testified before the committee, it is right for the United States to have permanent rights in these bases and it is right for us to ask for them. Some do not want it made a part of this loan; but, Mr. President, as I have said, if it is right, we should not hesitate to ask someone who wants to borrow our money to give us things that it is right for us to ask for. That is the question before the Senate this afternoon: Is it right for us to ask for what is right? That is all there is to the whole proposition.

Mr. President, what are these bases? Ah, Mr. President, they are bases in the far-flung Pacific which our boys fought to regain for the British, and upon which we have spent hundreds of millions, even billions, of dollars, and upon which the remains of many of our boys rest. They are bases on islands which would have been useless if it had not been for the untold millions of dollars which the United States spent there.

Is it right for us to claim the peacetime use of those bases? That is the question which we are called upon to determine here this afternoon.

Mr. President, I contend that it is right for us to ask for those bases.

The PRESIDENT pro tempore. The hour of 2 o'clock and 45 minutes having arrived, further debate—under the unanimous-consent agreement—is precluded.

The question is on agreeing to the amendment of the Senator from Maryland [Mr. TYDINGS] to the amendment of the Senator from Arizona, inserting on page 2, after the words "United



States", in lines 1 and 5, the words "for a fixed sum."

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McFARLAND. I stated to the Chair that I accepted those amendments as modifications of my own amendment. Did not the Chair state that I had a right to do so?

The PRESIDENT pro tempore. That is correct; and the amendment offered by the Senator from Arizona will be modified accordingly.

The question now is on the amendment of the Senator from Arizona, as modified.

Mr. McFARLAND. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McFARLAND. May the amendment, as modified, be read?

The PRESIDENT pro tempore. The clerk will read the amendment as modified, as it will be before the Senate when voted upon.

The CHIEF CLERK. On page 3, after line 16, it is proposed to insert the following new section:

SEC. 3. The foregoing provision shall not become effective and no payments shall be made pursuant to the agreement until the President shall have negotiated agreements with the United Kingdom and any commonwealth or dominion government whose concurrence may be necessary, and the Congress shall have by law approved such agreements, covering the following matters:

(1) Permanent acquisition by the United States for a fixed sum of rights to military, air, and naval bases held under 99-year leases, and elimination of provisions restricting use of such bases to military or naval purposes only; and

(2) Peacetime commercial use by the United States for a fixed sum of such other bases built by the United States in the British Empire or in areas controlled by Great Britain as may be agreed upon.

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War, and the value (to be fixed in the agreements) of the property and rights obtained by the United States under such agreements shall be credited on such indebtedness.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona, as modified.

Mr. BARKLEY. On this question, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). Mr. President, the senior Senator from North Carolina [Mr. BAILEY] is detained because of illness. If he were present he would vote "nay."

The roll call was concluded.

Mr. HATCH. My colleague the Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained from the Senate on important public business. If he were present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr.

GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He is paired on this question with the Senator from Louisiana [Mr. OVERTON]. If present the Senator from Texas would vote "nay" and the Senator from Louisiana would vote "yea."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The result was announced—yeas 40, nays 45, as follows:

#### YEAS—40

Bankhead	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Brooks	Johnston, S. C.	Shipstead
Buck	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Tydings
Byrd	McCarran	Walsh
Capehart	McClellan	Wheeler
Capper	McFarland	Wherry
Carville	Magnuson	Willis
Cordon	Millikin	Wilson
Ellender	Moore	Young
Green	O'Daniel	
Hawkes	Revercomb	

#### NAYS—45

Aiken	Hatch	O'Mahoney
Austin	Hayden	Pepper
Ball	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Briggs	Hoey	Saltonstall
Donnell	Knowland	Smith
Downey	Lucas	Stanfill
Eastland	McKellar	Taylor
Ferguson	McMahon	Thomas, Okla.
Fulbright	Maybank	Thomas, Utah
George	Mead	Tobey
Gerry	Mitchell	Tunnell
Guffey	Morse	Wagner
Gurney	Murdock	White
Hart	Myers	Wiley

#### NOT VOTING—11

Andrews	Chavez	Murray
Bailey	Connally	Overtton
Bilbo	Glass	Vandenberg
Bridges	Gossett	

So Mr. McFARLAND's amendment, as modified, was rejected.

(Manifestations of applause in the galleries.)

#### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

#### SUPPLEMENTAL ESTIMATES, DEPARTMENT OF STATE (S. DOC. NO. 180)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of State, amounting to \$7,002,523, fiscal year 1947, in the form of an amendment to the Budget for that fiscal year, and an amendment to House Document No. 454 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Gov-

ernment which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

#### THE COAL STRIKE

Mr. CAPPER. Mr. President, I have received a telegram from Lloyd A. Wilson, general manager, Wichita Chamber of Commerce, Wichita, Kans., urging prompt action by our Government with a view to bringing about immediate settlement of the coal strike. I ask unanimous consent to present the telegram for appropriate reference and printing in the RECORD.

There being no objection, the telegram was received, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

WICHITA, KANS., May 7, 1946.

HON. ARTHUR CAPPER,  
Member, United States Senate,  
Senate Office Building,  
Washington, D. C.:

We are sending the following message by wire to President Truman:

"We most respectfully urge that the full powers of the Government be directed immediately to the settlement of the coal strike because of the serious harm which its continuance would inflict upon our entire national economy, and also upon our relief efforts in the war-torn countries. We earnestly believe the public welfare demands prompt and courageous action on your part, not only with reference to this particular dispute, but toward prompt removal of all barriers now hindering the Nation from attaining the high goals in business, industry, and employment that can be reached if the people are unshackled in true American fashion."

We respectfully urge that you insist upon prompt action by the Government and that you take such action as may be possible through the Congress which would correct the existing situation.

LLOYD A. WILSON,

General Manager, Wichita Chamber of Commerce.

#### EXTENSION OF DRAFT—UNIVERSAL MILITARY TRAINING—MEMORIAL

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD, without all the signatures attached, a memorial signed by 42 citizens of Wichita, Kans., remonstrating against the enactment of legislation to extend the draft or to establish universal military training.

There being no objection, the memorial was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, without all the signatures attached, as follows:

To the Honorable Senator REED, Senator CAPPER, and Congressman EDWARD H. REES:

Whereas large numbers of men are no longer necessary in modern warfare, whereas the education of these young men is abruptly and needlessly interrupted, whereas General Eisenhower says we should have civilian instead of military occupation, whereas the United Nations cannot operate

efficiently with large standing armies in various countries, whereas taxes will be greatly increased by supporting large bodies of troops.

Therefore, we the undersigned citizens of Wichita, Kans., do request that you use your power that we have bestowed upon you to defeat the extension of the draft or the establishment of any type of conscription.

JOHNNY W. FIELD,  
RALPH D. SHOWALTER,  
BILLIE B. CLINK

(And other citizens of Wichita, Kans.).

#### FARM-PARITY PRICES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Morning Grange in Johnson County, Kans., in which they favor a new farm parity price that will include costs of labor.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

"Whereas it is a known fact agriculture produces the raw materials and in some instances the finished product for two of the three essentials of mankind, food, and clothing, not only for our own country, but also for those abroad, more urgent now than ever before; and

"Whereas we feel the increase granted to manufacturers and labor puts us to a disadvantage as we are the consumers of many of the products; and

"Whereas in accordance with such increases, machinery and labor are increasingly high in comparison to OPA ceilings on farm products: Therefore be it

"Resolved, We favor including labor costs in establishing a new farm parity to be used in regulation of farm prices."

Resolution adopted by Morning Grange in Johnson County, Kans., and recommended by Johnson County Pomona Grange representing 1,100 members.

CLAYTON WISEWELL,  
Secretary.

#### RESOLUTIONS OF ATOMIC ENERGY CONFERENCE, OTTAWA, KANS.

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD resolutions adopted by the Atomic Energy Conference at Ottawa, Kans., on April 14, 1946.

There being no objection, the resolutions were received, referred to the Special Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Whereas civilization is in imminent danger of annihilation under the threat of atomic warfare;

Whereas the same basic force that contains the germ of total destruction, viz, atomic energy, may, if properly controlled, be transmitted into highly beneficial channels;

Whereas international solidarity is a necessity if civilization is to survive;

Whereas a free and general dissemination of information and sharing of benefits are necessary for world solidarity; and

Whereas the United States, as instigator of atomic warfare, is morally responsible to the world to act as leader in the control of atomic energy for peaceful purposes and for the sharing of information and facilities pertaining thereto: Therefore be it

Resolved:

1. We reaffirm our faith in spiritual and moral forces as underlying all human prog-

ress and essential to any fundamental solution to the world's problems.

2. That we urge the adoption of the Acheson report as outlining the most practical method looking toward control of atomic energy on an international basis.

3. That we favor the passage of the original McMahon bill, without the Vandenberg amendment, as a control of atomic energy on a domestic basis.

4. That we oppose the passage of the May-Johnson bill.

5. That we deplore the atomic-bomb tests scheduled for this summer as an unnecessary waste and as contributing to suspicion and ill will because of the danger that the experiment will be interpreted as a show of force and a display of national arrogance.

6. Be it further resolved, That copies of these resolutions be sent to leaders in Congress and others in a position to formulate policies of national and international affairs.

OTTAWA KIWANIS CLUB,  
OTTAWA LIONS CLUB,  
OTTAWA ROTARY CLUB,  
OTTAWA MINISTERIAL ALLIANCE,  
OTTAWA PUBLIC SCHOOLS,  
OTTAWA UNIVERSITY,

Conference Sponsors.

#### TERMINAL PAY LEAVE FOR MEMBERS OF ARMED FORCES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by members of the Lowry-Funston Post, No. 1980, Veterans of Foreign Wars of the United States, Emporia, Kans., favoring the policy of terminal-leave pay being granted to members of the armed forces.

There being no objection, the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas Congress in its wisdom has seen fit to grant terminal-leave pay to commissioned officers of World War II; and

Whereas to date no provision has been made for like consideration for enlisted men of World War II: Therefore be it

Resolved, That the membership of Lowry-Funston Post, No. 1980, Veterans of Foreign Wars, here and now humbly petition the President and the Congress of the United States of America for like and similar treatment for the enlisted men; and be it further

Resolved, That since many of our comrades of the Spanish-American War and of World War I have sons who are now, or have been, participants in World War II, part of them from the same families serving as commissioned officers and another part serving as enlisted men, and to prevent family strife on the return of these boys from the same family; be it further

Resolved, That the members of Lowry-Funston Post, No. 1980, ask the President and the Members of the Congress of the United States to see to it that all members of the same family are treated as equals before the law and that terminal-leave pay be granted to the enlisted men as a matter of equity and fairness to all our people and to preserve peaceful family relations in the homes of returning veterans.

Resolved, That a copy of these resolutions be spread upon the minutes of the meeting and that a copy be sent to the President of the United States, and copies sent to Senators ARTHUR CAPPER and CLYDE REED and Representative ED REES of the Kansas delegation.

CLYDE DUNCAN,  
Commander.  
JOHN W. ARNDT,  
Quartermaster.

#### FAILURE OF PRICE-CONTROL PROGRAM

Mr. BUTLER. Mr. President, I present for inclusion in the CONGRESSIONAL RECORD a telegram, in the form of a resolution, received today from the Fairbury (Nebr.) Chamber of Commerce, with reference to the utter failure of the price-control program.

There being no objection, the telegram was received and ordered to be printed in the RECORD, as follows:

FAIRBURY, NEBR., May 8, 1946.

The closing down of our local flour-milling industry has brought to our attention the utter failure of the price-control program in the grain and milling industry to accomplish the purpose for which it is set up, namely, to speed up the movement of grain products, particularly wheat flour. Be it resolved that whereas the flour-milling industry of this country has milled and is equipped to mill vast quantities of wheat grown in this country for quick shipment to the starving people of Europe, and whereas many mills are now idle because they are unable to secure wheat thereby causing much unemployment in the milling and grain industries and whereas idle mills do not produce food for anyone, thereby increasing and aggravating an ever-increasing food shortage instead of helping it. Now therefore we recommend and urge that every effort be made on your part and by your office to get some action to either do away entirely with price controls and unworkable regulations or provide a plan and program that will enable the American milling industry to operate and have a part in processing our own grains grown in our own country and producing food for ourselves and the needy abroad thereby helping our own industry, giving employment to American labor, and feeding the people of the world.

THE FAIRBURY CHAMBER OF COMMERCE.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 1051. A bill for the relief of William J. Simpson; with amendments (Rept. No. 1307);

H. R. 2192. A bill for the relief of Andre Dacharry; with an amendment (Rept. No. 1308);

H. R. 2579. A bill for the relief of John G. Johnson; without amendment (Rept. No. 1309);

H. R. 4915. A bill for the relief of Irving W. Learned; without amendment (Rept. No. 1310); and

H. R. 5525. A bill for the relief of Sylvia Wagner; without amendment (Rept. No. 1311).

By Mr. WILEY, from the Committee on Claims:

H. R. 2337. A bill for the relief of H. H. Hood; without amendment (Rept. No. 1312);

H. R. 3726. A bill for the relief of Earl D. Massey, Marvin Marshall, and Fred C. Mitchell; without amendment (Rept. No. 1313);

H. R. 4016. A bill for the relief of Dorothy Morgan; without amendment (Rept. No. 1314);

H. R. 4416. A bill for the relief of George H. Buxton, Jr.; without amendment (Rept. No. 1315); and

H. R. 4905. A bill for the relief of Nina E. Schmidt; without amendment (Rept. No. 1316).

By Mr. FULBRIGHT, from the Committee on Education and Labor.

S. 178. A bill to amend section 40 of the United States Employees' Compensation Act, as amended; with amendments (Rept. No. 1317).



By Mr. O'MAHONEY, from the Committee on Indian Affairs:

H. R. 4386. A bill to facilitate and simplify the administration of Indian affairs; with amendments (Rept. No. 1318); and

H. R. 4567. A bill to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe, or band thereof, may have against the United States, and for other purposes," approved June 28, 1938; without amendment (Rept. No. 1319).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 2161. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn of the 1945 crop produced and sold before April 19, 1946; to the Committee on Agriculture and Forestry.

By Mr. THOMAS of Utah:

S. 2162. A bill for the relief of Claris U. Yeadon; to the Committee on Immigration.

By Mr. BYRD:

S. 2163. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; to the Committee on the Judiciary.

By Mr. MEAD:

S. 2164. A bill for the relief of George McMullen (with an accompanying paper); to the Committee on Claims.

#### MEDIATION OF LABOR DISPUTES—AMENDMENT

Mr. BYRD submitted an amendment intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

#### DEVELOPMENT AND CONTROL OF ATOMIC ENERGY—AMENDMENTS

Mr. McMAHON, on behalf of the Special Committee on Atomic Energy, submitted amendments intended to be proposed to the bill (S. 1717) for the development and control of atomic energy, which were ordered to lie on the table and to be printed.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;

H. R. 3967. An act for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor;

H. R. 4122. An act for the relief of Guy B. Slater and Grace M. Collins;

H. R. 4142. An act for the relief of Johnnie V. Nations;

H. R. 4172. An act for the relief of Carlton G. Jerry;

H. R. 4298. An act for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson;

H. R. 4301. An act for the relief of Philip Naope Kalli and Susie Kalli;

H. R. 4338. An act for the relief of Anna Blanchard and others;

H. R. 4527. An act for the relief of O. T. Nelson, and wife, Clara Nelson;

H. R. 4763. An act for the relief of R. L. Benton;

H. R. 5152. An act for the relief of J. F. Powers;

H. R. 5212. An act for the relief of the dependents of Cecil M. Foxworth, deceased; and

H. R. 6110. An act for the relief of the estate of Marion S. Griggs, deceased; to the Committee on Claims.

H. R. 4046. An act authorizing the issuance of a patent in fee to Richard S. Fisher; to the Committee on Indian Affairs.

H. R. 6097. An act to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; to the Committee on Agriculture and Forestry.

#### EDUCATION FOR WORLD PEACE—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the subject Education for World Peace, delivered by him at the University of California, Berkeley, Calif., on May 3, 1946, at the Institute of Labor Education and World Peace, which appears in the Appendix.]

#### FOOD FOR THE CHILDREN OF EUROPE AND THE FAR EAST—STATEMENT BY ADMINISTRATIVE BOARD OF NATIONAL CATHOLIC WELFARE CONFERENCE

[Mr. MEAD asked and obtained leave to have printed in the RECORD a statement dealing with a campaign for food for the children of Europe and the Far East during the week beginning on Mother's Day, May 12, 1946, issued by the administrative board of the National Catholic Welfare Conference, which appears in the Appendix.]

#### THE ISSUE OF OPA—EDITORIAL FROM LONG BEACH INDEPENDENT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "The Issue of OPA," from the Long Beach, Calif., Independent of April 26, 1946, which appears in the Appendix.]

#### THE ALCATRAZ RIOT—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "The Alcatraz Riot" published in the Washington Evening Star of May 4, 1946, which appears in the Appendix.]

#### NOTICE OF HEARING ON NOMINATION OF HARRY E. KALODNER TO BE JUDGE OF THE UNITED STATES CIRCUIT COURT OF APPEALS, THIRD CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, May 15, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit—a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

#### NOTICE OF HEARING ON NOMINATION OF JOHN W. MURPHY TO BE UNITED STATES DISTRICT JUDGE, MIDDLE DISTRICT OF PENNSYLVANIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the

committee, I desire to give notice that a public hearing has been scheduled for Wednesday, May 15, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of John W. Murphy, of Pennsylvania, to be United States district judge for the middle district of Pennsylvania, vice Hon. Albert W. Johnson, resigned. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3936) to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 40 and 46 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate Nos. 9 and 62 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. CAPPER. Mr. President, on April 19, the Wichita Beacon printed an able editorial in opposition to the British loan, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### THE PEOPLE VIEW PROPOSED LOAN TO BRITAIN AS OUTRIGHT GIFT

In the face of the most conclusive and overwhelming opposition from the American public, the Banking and Currency Committee of the United States Senate has given large majority approval to the proposed \$3,750,000,000 so-called loan to Great Britain.

The loan matter is not yet settled, although the vote in the Senate committee was 14 to 5 in favor of making the huge grant of the American taxpayers' money to the British. The vote can be taken to indicate the attitude of Washington officials regarding this

tremendously important public matter. The Senate and the House must act favorably on the loan before the United States Treasury can be ordered to pass out the money for the huge gift to the Britons.

The very large vote given in support of the grant by the committee is said to be an indication that the wishes of the American taxpayers will get no effective consideration when the loan proposal goes to the Senate and House.

As so often has been the case of late, the representatives of the people at Washington are indifferent to the constituents they were elected to represent. They have a deep lack of respect for the people back home who must make the sacrifices that provide money for the Government Treasury.

The inconsiderate attitude of the Congress toward the wishes of the people was clearly shown when the plans for the loan were made to include the excusing of the British from making an installment payment at any time when they found it impossible, or even inconvenient, to do so.

The people are convinced that the American Government has no expectation or hope that, if made, the loan will ever be repaid. The Government knows, or should know, that the British leaders have no intentions whatever of repayment.

There is the best of evidence that the proposed borrower of American millions of dollars lacks and will lack the ability to make payments to America, even if it were desired to do so. In many quarters it is said that the affair is one of intentional deception and essential dishonesty. The people easily see through the thin cloak of deception that is thrown about the proposition by calling what really will be a grant, a loan.

Already, this country is in debt to the staggering sum of \$300,000,000,000, as a result of the recent war and wholesale Government extravagance. Reckless Federal spending should not be followed by outright gifts of billions of dollars. It creates more of a burden than the patient and uncomplaining American taxpayer can bear.

If under its monumental debt, the United States still has money to give away, there are innumerable worthy causes at home to which it should be given—not to defaulting Great Britain.

The PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Ohio [Mr. TAFT] in the nature of a substitute.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CAPEHART. What is the next order of business? What is the next amendment to be considered by the Senate?

The PRESIDENT pro tempore. The only pending amendment is the amendment in the nature of a substitute offered by the Senator from Ohio.

Mr. CAPEHART. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 7, 8, and 9, and through the word "purpose", in line 10, and in lieu thereof to insert the following: "\$1,500,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Notwithstanding

any other provision of this joint resolution or any provision of the agreement dated December 6, 1945, between the United States and the United Kingdom, there shall be advanced under said agreement only such sums by way of credit as shall be necessary to offset adverse trade balances of the United Kingdom with the United States for the years 1946, 1947, 1948, 1949, and 1950, not exceeding in the aggregate the sum of \$1,500,000,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. CAPEHART. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I was interfered with at my desk. If I understand correctly the amendment offered by the Senator from Indiana, it would reduce the amount in the agreement itself from \$3,750,000,000 to \$1,500,000,000.

Mr. CAPEHART. That is correct. In other words, the amount is reduced to a sum not in excess of \$1,500,000,000, to be used as may be necessary to offset trade balances in the trading of our country with Great Britain over the next 5 years.

Mr. BARKLEY. Mr. President, I do not wish to discuss the amendment. I hope it will be defeated.

Mr. JOHNSON of Colorado. Mr. President, I have been trying to get the floor and tried to get it even before the amendment of the Senator from Indiana was offered, in order to make a point of order. I make the point of order that the Senate has no power or authority to initiate a bill proposing to raise revenue, and that Senate Joint Resolution 138 is such a measure.

Mr. President, in support of the point I should like to read section 2 of the pending measure. I shall read the amended section 2, although the original section 2 was identical, so far as the purposes of my point of order are concerned.

Section 2 reads as follows:

For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended—

I call attention to the language "of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended"—

and the purposes for which securities may be issued under that act are extended to secure such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

Mr. President, that section is relatively short so far as language is concerned, but if Senators will examine it carefully they will find that this provision is an authorization for an appropriation. That is the first thing it is. The second function of the provision is that it is an appropriation. Third, it

is a revenue bill, because it attempts to increase the revenues of the United States through a bond issue. Fourth, it is a debt limit extension, for the reason that it is an agreement with a foreign power, and of course if it is accepted by both governments, then the Congress of the United States in fixing the debt limit at a lower figure would be handicapped by this language.

However, my point of order lies only against one of these purposes, that is, that it is a bill to raise revenue. I base my point of order on section 7 of article I of the Constitution of the United States, which reads as follows:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

Mr. President, for a definition of "raising revenues," I turn to the old reliable Webster's New International Dictionary, and I find this definition of revenue:

Public income of whatever kind.

Of course, the word "raising" is so well understood, its meaning is so obvious to all, that it is not necessary to place in the Record a definition of that word. But "revenue," according to Webster's Dictionary, is "public income of whatever kind."

Mr. President, the provision I have read amounts to an appropriation out of the Treasury. It proposes to take money out of the Treasury. But before it takes money out of the Treasury, it puts money into the Treasury.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HATCH. The Senator has been discussing the definition of "income." Is it his contention that anything which produces income is revenue?

Mr. JOHNSON of Colorado. According to Webster's Dictionary, that is true.

Mr. HATCH. Is that the Senator's contention, in support of his point of order?

Mr. JOHNSON of Colorado. "Public income of whatever kind" is revenue, according to Webster's Dictionary, and Webster's New International Dictionary is good enough authority for me. I cannot go beyond that in defining words, however much I might like to do so.

Mr. HATCH. I am merely inquiring in order to understand the Senator's position, because he refers to anything that produces income, and we know that "income" is a most comprehensive and broad term. For instance, would the Senator say that a bill for the sale of public lands, which undoubtedly would produce income, would be a bill raising revenue?

Mr. JOHNSON of Colorado. It might or might not be. I do not think the question is in point here.

Mr. HATCH. I asked the question in the light of the definition which the Senator gave. I am merely trying to determine what is meant by "revenue" in the Senator's mind.

Mr. JOHNSON of Colorado. I will ask the Senator to take a little time off, go out in the lobby, consult Webster's Diction-



ary, and see what the dictionary has to say to him.

Mr. HATCH. I have taken a little time off, Mr. President, and have some authorities as to what is revenue, some rather respectable authorities, which I shall be glad to submit to the Senator a little later.

Mr. JOHNSON of Colorado. I think the Senate will be glad to have whatever the Senator submits for the RECORD. I am sure the purpose of the Senator from New Mexico, and the purpose of the Senator from Colorado, is to get all the light we can on the questions involved, from whatever source we may get it, so as to make the record perfectly clear and obvious to everyone.

A moment ago I said something about a debt limit extension provision contained in the joint resolution. I am not competent, I admit, to discuss constitutional questions such as the one here involved. However, I should like to read into the RECORD at this point a statement by Mr. P. C. Spencer, who is assistant general counsel of the Sinclair Oil Corp. He wrote this opinion on January 25, 1946, with respect to a proposed treaty having to do with petroleum. In the opinion he states:

The proposed treaty, if ratified, will impose a duty upon Congress to enact legislation providing for regulation and control of the domestic petroleum industry, which is now the province of the States to do, and will supply complete authority for doing so.

In considering the agreement, too much emphasis cannot be laid upon the fundamental rule of law that a valid treaty, once formally adopted, becomes the supreme law of our land, coequal with the Federal Constitution, and that legislation enacted by Congress to carry out the terms and provisions of such a treaty will not only prevail over State constitutions and laws, but Congress may take complete jurisdiction over powers reserved to the States under the tenth amendment of the Federal Constitution.

Of course, I understand the pending measure is not a treaty in accordance with the provision of the Constitution that treaties must be ratified by a two-thirds vote of the Senate. Nevertheless, what we are considering is an agreement being made with another government, and of course such an agreement, once it be ratified by the respective legislatures of the two governments, becomes a very binding contract.

Mr. BARKLEY. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. A number of Senators have asked me whether it is contemplated that we might get a vote on the Senator's point of order this evening, it being the practice of the Senate that when a point of order is made against the constitutionality of a measure the Chair submits the question to the Senate instead of passing on it himself. I have no way of knowing how much debate there will be on the point of order, but it might run on for some time. Would the Senator from Colorado be willing to agree to have a vote at 1 o'clock tomorrow afternoon on the point of order?

Mr. JOHNSON of Colorado. Yes; I should be perfectly in agreement with that.

Mr. BARKLEY. It is obvious we cannot conclude the consideration of the pending joint resolution today; there are other amendments to be considered, and there probably will be some further discussion. I ask unanimous consent that at not later than 1 o'clock tomorrow the Senate proceed to vote on the point of order raised by the Senator from Colorado, without further debate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. MORSE. Mr. President, reserving the right to object, I will say to the majority leader that although ordinarily I would object to such a unanimous-consent request, I am satisfied that it is perfectly clear that on this particular issue there is ample time for a full discussion of the merits of the matter between now and tomorrow at 1 o'clock. Therefore I shall not object.

Mr. BARKLEY. I appreciate the statement of the Senator from Oregon.

Mr. STEWART. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. STEWART. Reserving the right to object—and I shall not object—I should like to inquire whether there would be any other amendment or matter taken up during the course of the afternoon between now and 1 o'clock tomorrow. Of course, the motion of the Senator from Colorado is the pending business and would have to be set aside if anything else is to be considered.

Mr. BARKLEY. I presume that if the Senator from Indiana [Mr. CAPEHART], who offered an amendment on which the yeas and nays have been ordered, should ask for action on his amendment, and if the Senator from Colorado should be agreeable to a vote being taken on that amendment, we might dispose of it this afternoon. But it would have to be done, I imagine, by unanimous consent.

Mr. STEWART. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. STEWART. What is the pending question?

The PRESIDENT pro tempore. The pending question is the point of order raised by the Senator from Colorado.

Mr. STEWART. Does that supersede the amendment offered by the Senator from Indiana?

The PRESIDENT pro tempore. At this point the Chair will say that in cases where the question of constitutionality has been raised, the Presiding Officer, under the uniform practice of the Senate, does not pass upon the question, but submits it directly to the Senate for its determination.

The Chair, therefore, submits to the Senate the question: Shall the point of order be sustained?

The point of order has precedence over the amendment of the Senator from Indiana [Mr. CAPEHART].

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object,

I should like to have an understanding with the Senator from Kentucky as to the division of time tomorrow between the time we assemble, which I presume will be at 12 o'clock, and 1 o'clock, at which time the vote is to be taken. One reason why I am willing to have the vote put over until tomorrow is to accommodate the Senator from Michigan [Mr. FERGUSON], who has been making a study of this point, and, as I understand, is prepared to make an argument in opposition to my point of order. Even though he is opposing me I think his study and the record he will make should go into the CONGRESSIONAL RECORD on the point of order. But I want an even division of time on the matter.

Mr. BARKLEY. I will say to the Senator that I did not incorporate in my request any provision about the division of time, but I am willing to provide that on tomorrow, from the time of the assembling of the Senate until the vote is taken, the time shall be equally divided between the Senator from Colorado and me.

I should also like to suggest that tomorrow the Senate meet at 11 o'clock instead of 12. It can do so by adopting a motion to that effect, and I hope we can do so because that would give a little more time, in view of possible roll calls, for a discussion of the Senator's important point of order before the vote is taken.

Mr. JOHNSON of Colorado. But whatever the hour at which the Senate may meet, the time will be divided equally?

Mr. BARKLEY. Yes.

Mr. President, I modify my request to that extent, by incorporating in it the agreement that from the time of the assembling of the Senate tomorrow until the vote is taken the time be divided equally between those opposed and those in favor of the Senator's point of order, the time to be allotted by the Senator from Colorado and by me.

Mr. JOHNSON of Colorado. That would be satisfactory.

Mr. TYDINGS. Mr. President, will the Senator from Colorado yield to me? Mr. JOHNSON of Colorado. I yield.

Mr. TYDINGS. Now that the time between now and 1 o'clock tomorrow is to be equally divided, is it the general understanding then that the vote will be taken beginning at 1 o'clock?

Mr. BARKLEY. Yes.

Mr. TYDINGS. The Senator used the expression, I believe, "not later than 1 o'clock." Some of us have already made engagements for the time between 11 and 12 o'clock.

Mr. BARKLEY. I think I can state to the Senator that the vote will be taken at 1 o'clock.

Mr. TYDINGS. With that understanding, very well.

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the Senator from Kentucky a question which rises by reason of the suggestion made by the Senator from Maryland that the time from now on is to be divided equally. I did not understand that to be the request of the Senator from Kentucky. I

understood that the time tomorrow from the time the Senate convenes until we vote shall be divided equally.

Mr. BARKLEY. There is no division of time for the remainder of today's session. The division of time is to be made tomorrow.

Mr. JOHNSON of Colorado. If I should hold the floor all afternoon—

Mr. BARKLEY. If the Senator from Colorado should hold the floor all afternoon—

Mr. JOHNSON of Colorado. Which the Senator from Colorado will not do.

Mr. BARKLEY. It would be further justification for my suggestion that the Senate convene at 11 o'clock tomorrow instead of 12.

Mr. JOHNSON of Colorado. I assure the Senator that I shall not hold the floor all afternoon.

Mr. LANGER. Mr. President, will the Senator yield to me for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. LANGER. As I understand, there is to be no vote taken on any matter between now and 1 o'clock tomorrow?

Mr. BARKLEY. I think the Senator from North Dakota can be assured of that.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. As I understand, the point of order has the right of way, and there will be no vote taken on any other matter until the point of order has been voted upon and is out of the way?

The PRESIDENT pro tempore. It is now the pending question.

Mr. WHERRY. Yes; and it cannot be put aside and a vote taken on any other matter?

The PRESIDENT pro tempore. The Senate can do anything by unanimous consent.

Mr. WHERRY. I appreciate that.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. I give notice that on behalf of myself, the Senator from Arkansas [Mr. McCLELLAN], the Senator from Texas [Mr. O'DANIEL], and such other Senators as desire to join with us, that after 1 o'clock tomorrow we will move that the Senate proceed to the consideration of House bill 4908, which is the Senate Committee on Education and Labor's version of the Case bill.

Mr. President, I strongly favor the British loan, but something must be done to save this country from John L. Lewis, and we think the loan should be laid aside for a few days until we can pass adequate antistrike legislation.

Mr. BARKLEY. Mr. President, has the unanimous-consent agreement been entered into?

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. GUFFEY. I object.

Mr. BARKLEY. Mr. President, I understand there is no objection to my request. A Senator objected to what he thought was a unanimous-consent request made by the Senator from Mississippi. He made no unanimous-consent request. He simply served notice,

The PRESIDENT pro tempore. Will the Senator from Kentucky restate his request?

Mr. BARKLEY. I ask unanimous consent that the Senate vote at not later than 1 o'clock p. m. tomorrow on the point of order, and that from the convening of the Senate tomorrow until the vote comes the time shall be equally divided between those opposed and those in favor of the point of order, the time to be controlled by the Senator from Colorado and myself.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. WILEY. Mr. President—

Mr. JOHNSON of Colorado. Before I yield further I ask for the yeas and nays when the vote is taken on my pending point of order.

The yeas and nays were ordered.

ORDER FOR RECESS TO 11 O'CLOCK A. M.  
THURSDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today it stand in recess until 11 o'clock a. m. tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### THE COAL STRIKE CRISIS

Mr. WILEY. Mr. President, will the Senator now yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Wisconsin.

Mr. WILEY. I agree fully that the Senate must as quickly as possible pass and send over to the House—and let us do it before the House takes action—a bill with teeth in it, which will meet the demands of the American people in relation to the labor crisis.

All America—labor, management, and the public—is united as one against the outrageous crucifixion of the public interest by John L. Lewis.

All America knows that this issue, however, is not only John L. Lewis versus the public welfare but irresponsible labor leadership versus the public welfare. What John L. Lewis is doing today to our reconversion program, to our program of foreign relief, to the most essential activities of American life, other power-mad labor leaders did yesterday and can do tomorrow. Yes, another labor dictator such as Harry Bridges, joined with similar communistic bosses, actively allied with forces of international Communist agitation and provocation, can also cripple and lay the Nation prostrate.

All America is resolved that this national-strike paralysis shall never again come to pass, that there shall be no more internal Pearl Harbors. We have reached the parting of the ways with our easy-going policies of the past, with our national toleration of New Deal coddling of labor dictators. All America sees that the New Deal chickens have come home to roost and that America has suffered disastrously as a result. Congress' and the President's inaction have resulted in terrific damage to our economy. The President must act now to take over the mines.

We must also have a pro-American labor bill, a bill with guts in its vitals

and teeth in its jaws, not an antilabor bill, not a promanagement bill, but a propublic bill. It would be an anti-Fascist bill, yes; against the labor Fascists and racketeers who want to run the show in their own despotic way.

The principal provision of such a bill, as I have contended for months and years, would be for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. All such disputes must go to the courts for proper adjudication.

Other provisions would—

First, set up complete machinery for mediation and voluntary arbitration in all other disputes.

Second, make unions equally responsible with corporations before the law for any contract violations.

Third, provide for democratic union elections and publicized finances.

Fourth, outlaw the use of force and violence in connection with any labor dispute or threatened dispute.

Fifth, outlaw illegal uses of the boycott.

Sixth, prohibit unionization of foremen who are legitimately a part of management.

Seventh, outlaw jurisdictional disputes between unions.

Nothing short of such a comprehensive program will satisfy the people of America.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. I tell the Senator from Wisconsin that the committee bill is milk and water, and that the Senate should certainly adopt adequate legislation, and do it as quickly as possible. By the 15th of this month 75 percent of the total freight service of the Nation will stop. And today caskets and embalming fluid have been embargoed, and we cannot properly bury the dead because of the coal strike.

Mr. WILEY. Mr. President, will the Senator again yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. I agree fully with the statement made by the distinguished Senator from Mississippi. I have on four different occasions stated explicitly my own position, and the position I have stated mirrors the expression of people of my own State, including laboring men, farmers, school teachers, businessmen, and others, who realize that something must be done in this country at least to give power to the Government to handle a situation which is fast becoming dangerous to our very economic and political existence.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Ohio.

Mr. TAFT. The only difference, as I understand it, between the Senator from Mississippi and the Senator from Wisconsin is as to the method of proceeding. Obviously, if we want to pass any labor legislation or consider the problem here, the quickest way is to take up the Case bill now pending on the calendar and discuss it. The minority members of the committee have offered some five amend-



ments, which appear in the minority views. If there are other amendments which deal with the particular situation created by the coal strike, they can be offered to that bill. I suggest that if any action be taken the method proposed by the Senator from Mississippi is the prompt way to take action, because the House has already acted on the bill, and the conference committee could settle the differences in very short order after the Senate had considered the matter.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. There is no difference between the Senator from Mississippi and myself. Yesterday I suggested the identical idea suggested by the Senator from Mississippi. So we have no difference on that subject. The only point is that we should consider the Case bill and add to it amendments with "guts" in them so that we may effectuate the purpose which all America demands that we accomplish.

Mr. BUSHFIELD. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. BUSHFIELD. In answer to the remarks of the Senator from Wisconsin [Mr. WILEY], I simply wish to point out that I do not believe there is any coal strike in evidence at the present time. The coal miners' contract ran out and they did not go back to work. They did not strike.

Mr. WHERRY. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. There was some confusion in the Senate Chamber when the distinguished Senator from Mississippi [Mr. EASTLAND] gave notice that as soon as he could obtain recognition after the vote on the point of order at 1 o'clock tomorrow he would move to take up the Case bill. I think Senators would like to know if that is a correct statement of the announcement made by the distinguished Senator from Mississippi.

Mr. McCLELLAN rose.

Mr. JOHNSON of Colorado. I yield to the Senator from Arkansas [Mr. McCLELLAN]. I do not see the Senator from Mississippi in the Chamber.

Mr. WHERRY. Can some Senator on the other side of the aisle tell us whether or not the distinguished Senator from Mississippi stated that he would move to take up the Case bill immediately after the vote on the point of order?

Mr. EASTLAND entered the Chamber.

Mr. McCLELLAN. The Senator from Mississippi is now present.

Mr. JOHNSON of Colorado. I yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I have been absent from the Chamber for a few moments.

Mr. WHERRY. I should like to ask the distinguished Senator from Colorado to permit me to ask the distinguished Senator from Mississippi a question.

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. There was considerable confusion in the Senate Chamber. Senators have asked what statement was made by the Senator from Mississippi. I understood the Senator from

Mississippi to say that immediately after the vote upon the point of order, or as soon thereafter as he could obtain recognition, he proposed to move to take up the Case bill.

Mr. EASTLAND. That is true. I intend to make such a motion on behalf of the Senator from Arkansas [Mr. McCLELLAN], the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. O'DANIEL], and myself, and as many other Senators as will join us. We should like to have the Senator from Nebraska join us.

Mr. WHERRY. I was not interested in the names of Senators on whose behalf the motion would be made. I wished to have Senators know that immediately after the vote on the point of order, the Senator from Mississippi proposed to make such a motion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. If the Senator will permit this observation, I believe that in all likelihood the Senate will reach a final vote on the loan measure before it adjourns or recesses tomorrow night. There are only two or three other amendments. One of them, the amendment of the Senator from Indiana [Mr. CAPEHART] will require very little debate. While I appreciate the action of the Senator in notifying us in advance that he will make his motion, I do not see that anything can be accomplished by interposing such a motion at a time when it is very likely that we shall finish the pending business tomorrow before we recess or adjourn. In view of that situation, I hope the Senator will reconsider his announcement, or at least think it over during the night, and before the Senate reassembles tomorrow.

Mr. EASTLAND. I thank the Senator from Kentucky. I am strongly in favor of the British loan, and I intend to vote for the joint resolution. However, the strike situation challenges the life of this Nation. I believe that the loan should certainly go over for a day or two until we can enact antistrike legislation.

Mr. BARKLEY. If the Senator believes that we can dispose of the Case bill in a day or two, he is highly optimistic.

Mr. EASTLAND. We should consider it, however long it may take. Hospitals will be without heat, light, and power. Operating rooms will become unusable. If the coal strike is not stopped, the people of this country will become undernourished.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. KNOWLAND. In connection with the suggestion which has been made by the Senator from Mississippi, and in connection with the remarks of the distinguished majority leader, let me say that yesterday afternoon I served notice that if the strike had not been settled within 48 hours I would move to substitute the Case bill for the pending legislation. I gave that advance notice for the reason that I did not wish to jeopardize consideration of the pending measure, which I was very hopeful would be out of the

way within 48 hours. In addition, I was hopeful that perhaps, in recognition of the possibility of the Senate proceeding within 48 hours to consider this very vital legislation, the national administration and the representatives of organized labor and management might get together and settle this question in the intervening period.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is, Shall the point of order raised by the Senator from Colorado [Mr. JOHNSON] be sustained?

Mr. JOHNSON of Colorado. Mr. President, inasmuch as we are to have some time tomorrow to discuss the point of order raised by me, I shall not complete my arguments on the point of order today. However, I wish to use this time to insert in the RECORD certain matters which pertain to the point of order.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a portion of a memorandum prepared by Mr. P. C. Spencer, assistant general counsel of the Sinclair Oil Corp., on the pending petroleum agreement between the United States and the United Kingdom. The particular portion which I am placing in the RECORD does not go to the point of order which I have made, but it seems to me that it does call attention to the serious question which is raised by section 2 of the pending measure, and it does affect the debt limit which may be later voted by the Congress.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

The revised Anglo-American petroleum agreement, a verbatim copy of which appears as an appendix to this memorandum, was executed in London on September 24, 1945, on behalf of the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland and was, on November 1, 1945, transmitted by President Truman to the United States Senate with a view to receiving the advice and consent of that body to its ratification as a treaty. It is in opposition to this proposed treaty that the following objections and arguments are directed.

1. The proposed treaty, if ratified, will impose a duty upon Congress to enact legislation providing for regulation and control of the domestic petroleum industry, which is now the province of the States, and will supply complete authority for doing so.
2. The proposed treaty appears to provide for a super world petroleum cartel.
3. Performance by the United States Government of its contractual obligations under the proposed treaty will definitely require implementation through legislation by Congress and actions by the executive department of an extraordinary and far-reaching character.
4. The proposed treaty is defective in any event because of ambiguity, indefiniteness, and uncertainty.
5. Intelligent action upon the proposed treaty would require awaiting the receipt and

consideration of the findings and recommendations of the Special Committee on National Petroleum Policy of the Senate.

1. THE PROPOSED TREATY, IF RATIFIED, WILL IMPOSE A DUTY UPON CONGRESS TO ENACT LEGISLATION PROVIDING FOR REGULATION AND CONTROL OF THE DOMESTIC PETROLEUM INDUSTRY, WHICH IS NOW THE PROVINCE OF THE STATES, AND WILL SUPPLY COMPLETE AUTHORITY FOR DOING SO

In considering the agreement, too much emphasis cannot be laid upon the fundamental rule of law that a valid treaty, once formally adopted, becomes the supreme law of our land, coequal with the Federal Constitution, and that legislation enacted by Congress to carry out the terms and provisions of such a treaty will not only prevail over State constitutions and laws, but Congress may take complete jurisdiction over powers reserved to the States under the tenth amendment of the Federal Constitution. In other words, treaties are a source of power authorizing Congress to pass valid laws which, in the absence of a treaty, would be void as an invasion of States' rights.

A classic example of how the rights of a State to regulate its own internal affairs may be superseded by a treaty is contained in the story of the Federal Government's present supremacy in the regulation of duck shooting.

Many years ago Congress enacted a law which sought to transfer control of local duck shooting to the Federal Government from State governments. Some of the States objected. They said that ducks that light and make their homes within the borders of the State belong to the State, and that the State has exclusive jurisdiction over the question as to when and how they may be shot. The United States courts agreed, holding that Congress had no authority to enact such a law; that it had transgressed upon a power reserved to the States; and that therefore the law was contrary to our Constitution (*United States v. Shauver*, 214 Fed. 154 (D. Ark. 1914), appeal dismissed, 248 U. S. 594 (1919); *United States v. McCullagh*, 221 Fed. 288 (D. Kans. 1915)). Ordinarily this would have ended the matter. But it did not. A way was found to realize the objective of Federal control of duck shooting.

In 1916, the United States and Great Britain (the same parties who have signed the proposed petroleum treaty) entered into another treaty providing, among other things, for the regulation of the killing of migratory birds. Thereafter Congress again enacted a law placing the control of duck shooting within the United States in the hands of a department of the Federal Government (secs. 703-711, title 16, U. S. C. A.). The State of Missouri commenced an action to test the validity of the Federal Statute, and, to make a long story short, the United States Supreme Court finally held that the statute was valid and that it did not violate our Constitution this time because it was enacted pursuant to a valid treaty which is the supreme law of our land (*Missouri v. Holland*, 252 U. S. 416 (1920)).

Although the treaty itself talked principally about the establishment of closed seasons on migratory birds, the law enacted by Congress authorized complete regulation thereof. Despite the objections of States' rights enthusiasts, the broad powers assumed by Congress were upheld by the courts (*Cochrane v. United States*, 92 F. (2d) 623 (C. C. A. 7th, 1937), certiorari denied, 302 U. S. 636 (1933)). Today we find the Federal Government regulating every minute phase of duck shooting. These comprehensive regulations specify the caliber of guns to be used, limit the amount of the bag, restrict the use of blinds and decoys, and even prescribe the rules under which plain ordinary corn may be used as a lure.

It need not be argued here whether Federal regulation of duck shooting is desirable or undesirable in the public welfare. The point is that the constitutional and sovereign rights of the several States to regulate and control the exploration for, and development of, petroleum can be superseded, forfeited, and lost forever by a treaty and Federal legislation enacted pursuant thereto.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. TAFT. Merely for the purpose of placing in the RECORD another statement bearing on the point raised by the Senator from Colorado, I should like to read a brief extract from the Senate Journal of the Sixty-fourth Congress. It is as follows:

On March 2, 1917, during the consideration, as in Committee of the Whole, of H. R. 20632, the naval appropriation bill for 1918, the Senate added an amendment authorizing a bond issue of \$150,000,000 to expedite naval construction.

On the same day the House returned the bill to the Senate, with a statement that the amendment providing for the issuance of bonds contravened the first clause of the seventh section of the first article of the Constitution, and was an infringement of the privileges of the House. (Senate Journal, 64th Cong., 2d sess., pp. 220, 221.)

The Senate reconsidered its vote on the passage of the bill, and the amendment was then reconsidered and rejected, and the bill again passed. So the Senate apparently acquiesced in the position of the House, that a provision for raising money by a bond issue was a revenue measure. That is the only direct authority or case that I happened to run across.

Mr. JOHNSON of Colorado. I thank the Senator for his contribution.

Mr. President, the CONGRESSIONAL RECORD of February 2, 1927, carries portions of a debate by former Senator Ashurst of Arizona in regard to a point of order which he made on a bill which was similar in every respect to the pending measure. In order to show that the two measures are similar, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have written to the Senate legislative counsel, and his reply to me.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 22, 1946.

HON. STEPHEN E. RICE,  
Senate Legislative Counsel,  
Washington, D. C.

DEAR MR. RICE: I am calling your attention to a memorandum written by Frederic P. Lee, February 2, 1927, in re constitutionality of Senate origination of Boulder Canyon project bill.

I should like a memorandum now as to the similarity or absence of similarity in the issue in the above-mentioned bill to the revenue issue fundamental to Senate Joint Resolution 138, and to what extent Mr. Lee's memorandum in the opinion of the legislative counsel applies to the pending Senate resolution.

Sincerely,

EDWIN C. JOHNSON.

MEMORANDUM FOR SENATOR JOHNSON OF COLORADO

Reference is made to your letter of April 22, calling attention to a memorandum written by Frederic P. Lee, then legislative counsel of the Senate, appearing in the CONGRESSIONAL RECORD of February 2, 1927 (68th Cong., CONGRESSIONAL RECORD, pt. 3, p. 2762), relative to the constitutionality of Senate origination of the Boulder Canyon project bill (S. 3331, 69th Cong.). You inquire as to "the similarity or absence of similarity in the issue in the above-mentioned bill to the revenue issue fundamental to Senate Joint Resolution 138, and to what extent Mr. Lee's memorandum in the opinion of the legislative counsel applies to the pending Senate resolution."

The Boulder Canyon project bill authorized the Secretary of the Treasury, in order to make advances to the fund provided for in that bill, to exercise the authority granted by the various Liberty Bond Acts and the Victory Liberty Loan Act, as amended and supplemented, "to issue bonds, notes, and certificates of indebtedness to the United States." Section 2 of Senate Joint Resolution 138 authorizes the Secretary of the Treasury, for the purpose of carrying out the financial agreement dated December 6, 1945, between the United States and the United Kingdom, to use as a public-debt transaction proceeds of any securities issued under the Second Liberty Bond Act, as amended, and extends the purposes for which securities may be issued under that act to include the carrying out of the agreement of December 6, 1945.

Mr. Lee's memorandum was addressed to the question whether S. 3331, Sixty-ninth Congress, was a bill for raising revenue which, under the Constitution, is required to originate in the House of Representatives, because of the authority granted therein to the Secretary of the Treasury to issue bonds, the proceeds of which were to be used for the purpose of making payments authorized in the bill. It is apparent that this issue is also raised by the pending resolution (S. J. Res. 138), and accordingly it is my opinion that Mr. Lee's memorandum in principle applies equally to this resolution.

Respectfully,

S. E. RICE,  
Legislative Counsel.

APRIL 22, 1946.

Mr. JOHNSON of Colorado. At the time Mr. Ashurst made his point of order the legislative counsel prepared a rather long memorandum in regard to the constitutionality of Senate bill 3331. I may add that Senator Ashurst, of Arizona, apparently won his point of order, not by any declaration on the point of order itself, but it seems that the provision for a loan was withdrawn from the bill, and was not in the bill when it was finally enacted. So I presume, although the RECORD does not so state, that the Senator from Arizona won his point.

Senator Ashurst had this to say:

The Senator from California, Mr. Johnson, on April 23 last reported favorably from the Senate Committee on Irrigation the so-called Boulder Canyon Dam bill, Senate bill 3331.

Senator Ashurst then proceeded to describe the bill and read various sections of it into the RECORD. Continuing his discussion of the bill, he said:

In the committee I made the point of order that the committee had no power or authority to report a bill originating in the



Senate proposing to raise revenue, and I argued that section 2 of this bill contravenes section 7 of article I of the Constitution of the United States, which said section 7, so far as the same relates to this question, reads as follows:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills."

After discussion, the Senate Committee on Irrigation and Reclamation reached the conclusion that it had no authority to determine the point of order, as the Senate had not called upon its committee for an opinion upon this question.

I now move to strike out that section of this bill—section 2—which, in my judgment, proposes to raise revenue by authorizing a bond issue or by authorizing the further issuance and sale of bonds under statutes heretofore enacted.

I assert that neither the Supreme Court of the United States nor the Treasury Department is the authority eligible to pass upon and decide the question of parliamentary practice and privilege.

The Constitution, in article I, section 1, says:

"Representatives and direct taxes shall be apportioned among the several States which may be included within this Union according to their respective numbers. \* \* \* The actual enumeration shall be made within 3 years after the first meeting of the Congress of the United States and within every subsequent term of 10 years."

The "enumeration" mentioned, which is the "decennial census," is expressly commanded in the Constitution. No time limit in stated terms is set upon apportionment, although Congress has always assumed that the framers of the Constitution intended a decennial reapportionment following the census; but no writ or process known to our Constitution or our law, no writ or process known to our Government or to our polity, could compel the House of Representatives to pass an apportionment bill.

The Supreme Court might, indeed, declare that a bill originating in the Senate proposing to issue and sell Government bonds was not "raising revenue," but no writ or process known to our system of government could compel the House of Representatives to receive, consider, or pass a bill sent to it by the Senate if the House declared that the bill was one for "raising revenue." Upon the question as to whether or not a particular bill "raises revenue," the House of Representatives is the judge and the final judge. What action the House would take upon this particular bill, were the Senate to send the same to the House, there can be no doubt.

I now refer to pages 4731 and 4737, volume 54, part 5, CONGRESSIONAL RECORD of the Sixty-fourth Congress, second session. On March 2, 1917, the Senate had under consideration the naval appropriation bill, sent to the Senate by the House, and whilst such bill was under consideration in the Senate, after some debate, the Senate added a provision, of which I shall read only the pertinent part:

"That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time such sums as may be necessary to meet expenditures directed by the President from the naval emergency fund and for expediting naval construction as provided in this act, not exceeding \$150,000,000, or to reimburse the Treasury for such expenditures, and to prepare and issue therefor bonds of the United States in such form and subject to such terms and conditions as the Secretary of the Treasury may prescribe."

The Senate thus adopted and agreed to that provision as an amendment to the naval appropriation bill, and when the bill with

such amendment reached the House again the House unanimously returned the bill to the Senate. Remember that this was on the 2d of March, 1917, just before the United States entered the World War and was therefore at a time when every moment was precious, when every motive was operative that could induce Members of Congress to make haste and to waive what some persons call peccadillos, or technicalities, the House resolutely stood by the Constitution and refused to surrender the prerogatives of the House. I read now from volume 54, part 5, page 4827, of the CONGRESSIONAL RECORD, Sixty-fourth Congress, second session, indicating the promptness and the unanimity of the House Members in rejecting this Senate amendment:

"Mr. FITZGERALD. Mr. Speaker, ever since the beginning of the Republic the House has asserted its prerogative under the Constitution to originate revenue bills. In my experience in the House upon several occasions the Senate has attempted to incorporate into various bills items providing for the raising of revenue either by taxation or by the issuance of bonds. The one great prerogative of the House of Representatives is the right to originate revenue bills, and however lowly this House has ever descended it has never yet yielded a single iota of that privilege. [Applause.] I hope, in this instance, the vote will be unanimous. It ought to be unanimous, Mr. Speaker, because this action has not been taken by the Senate without warning. Notice was given to those in charge of this bill today that this proposed amendment was an infringement of the prerogatives of the House; that it should not be incorporated in the bill; that if incorporated it should be eliminated; and that if it were incorporated in the bill the House would assert its prerogative and return the bill with such a message as is now proposed. In spite of that warning, and regardless of the constitutional provision, the Senate has sent this bill here in defiance of the warning given and in derogation of the rights of the House. There is nothing for us to do except to insist upon our constitutional prerogative and to follow the unbroken precedents of the Republic by sending this bill back to the Senate, so that they may eliminate the provision which infringes upon our privileges."

"The SPEAKER. The question is on agreeing to the resolution."

"The question was taken."

"The SPEAKER. The ayes have it. The vote is unanimous."

This is not only a late precedent, but is squarely in point as well.

Moreover, Mr. President, in January, 1925, whilst the Senate was considering a bill increasing postal salaries and raising post rates, the Senator from Virginia, Mr. Swanson, made a point of order against such portion of the bill as proposed to increase the postal rates, upon the ground that such a bill was "raising revenue," and that therefore the Senate was not the eligible body of Congress to originate such legislation. (See p. 2274 of vol. 66, pt. 3, 68th Cong., 2d sess.)

After discussion on this point the Senate, by 29 yeas to 50 nays, refused to sustain the point of order and thereby held that the Senate was an eligible authority to originate legislation increasing postal rates and that to increase postal rates was not "raising revenue." The bill was sent to the House of Representatives, and on February 3, 1925, the House of Representatives considered the bill, whereupon Mr. Green, of Iowa, made the following point of order, as shown at page 2941 of volume 66, part 3, Sixty-eighth Congress, second session:

"Mr. GREEN. Mr. Speaker, I rise to a question of the highest privilege, the privileges of the House, and offer a resolution which has been sent to the Clerk's desk."

"The SPEAKER. The gentleman from Iowa offers a resolution, which the Clerk will report."

"The Clerk read as follows:

"Resolved, That the bill S. 3674, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said bill be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution."

Mr. President, the discussion in the House upon that point was exhaustive and learned. The various views upon this question were supported with vigor, and I invite Senators to read the RECORD of that day, to wit, February 3, 1925. The House of Representatives then and there by a vote of 225 yeas to 153 nays decided that to increase postal rates—that is to say, to increase the charges and rates to be paid for the transmission of mail matter—was "raising revenue," and the bill was returned to the Senate.

The House had the power and authority to make such decision; therefore, before the Senate considers a bill of such vast importance as this bill reported by the able Senator from California [Mr. Johnson] authorizing the issuance and sale of bonds in the sum of approximately \$125,000,000, or authorizing the sale of bonds under laws heretofore enacted, the Senate should seriously consider whether we have the constitutional power to originate such a bill. Surely, the Senate does not wish to issue a brutum fulmen—a harmless thunderbolt—by considering a bill which we are not constitutionally eligible to initiate. I say this now so that I shall not hereafter be charged in the Senate with having waived this point.

I clear this discussion of the underbrush and wish my philosophy of this question made manifest. Whoever discusses questions of law with the Senator from California [Mr. Johnson] will find himself hard put to answer the arguments he may make.

I am not so vain as to imagine that I may vanquish him easily or at all, unless I be clearly within the law and precedents. He argues that the Supreme Court of the United States apparently has said that the issuance and sale of bonds is not "raising revenue" and that also the Treasury Department apparently has said that the issuance and sale of bonds is not "raising revenue"; but I say again that neither the Supreme Court nor the Treasury Department is eligible to pass upon a parliamentary question of this sort. What is "raising revenue" is not so much a juridical question as it is a parliamentary or political question.

No writ known to our law or Constitution can compel the House of Representatives to accept a bill from the Senate if the House declares the same to be a bill for raising revenue.

The principle of our constitutional requirement that all bills for raising revenue shall originate in the House of Representatives is far older than our Federal Government. Such principle originated out of the struggles between the King and the Commons of medieval England. The statute of William and Mary, session 2, chapter II, was one of the first acts of the English Parliament specifically providing how public funds should be raised, and our forefathers did not ignore the principle when they adopted our Constitution in 1787.

During the days in England when the Crown attempted to exact ship money Hampden's share of the contribution was 1 pound sterling, which he refused to pay and was therefore summoned to show cause in the Court of Exchequer in the thirteenth year of Charles I.

The provision made by the ship-money law for the defense of the country by sea was

the grant to the King of tunnage and poundage and the service of the Cinque Ports. In addition to this provision, the right was assumed by the King of levying impositions, and the King disputed that the parliamentary supplies were the only legal supplies.

The judges, by a majority of 7 to 5, decided in favor of the King; some of the majority alleged the superiority of the King to the law, and the opinion of these may be found in the words of Berkeley: "the law is of itself an old and trusty servant of the King's; it is his instrument or means which he useth to govern his people by. I never read nor heard that 'lex' was 'rex,' but it is common and most true that 'rex' is 'lex,' for he is 'lex loquens,' a living, a speaking, an acting law."

The expression by the majority judges in that case that rex was lex helped to bring on the contest which finally resulted in civil liberty in England. On this subject of originating revenue bills the Senate is neither rex nor lex. The Constitution of the United States on this important subject of originating revenue is rex and lex, and the Constitution on this, as on all other subjects, is lex loquens, "a living, a speaking, an acting law."

Mr. President, Mr. Fitzgerald made a very important observation at that time. He called for a unanimous vote, and he got a unanimous vote.

The House of Representatives has always contended that it has the right to initiate revenue-raising measures, and the House of Representatives has always contended that the issuances of bonds and of Federal securities is, in fact, the raising of revenue. The point I wish to make tomorrow is that we can be very certain that the House of Representatives will insist upon its rights, and that, inasmuch as that is so, the Senate is merely wasting time today, and has been for 3 weeks in considering a measure which flies in the face of tradition and violates the rights and prerogatives of the House of Representatives.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from a memorandum which was prepared by the legislative counsel of the United States Senate and is printed in the volume of the CONGRESSIONAL RECORD from which I have been reading.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This memorandum does not attempt any comprehensive statement as to what bills are included in the phrase "bills for raising revenues." As said by the Supreme Court in *Twin City Bank v. Nebecker* (167 U. S. at p. 202), "what bills belong to that class is a question of such magnitude and importance that it is the part of wisdom not to attempt, by any general statement, to cover every possible phase of the subject."

The questions here considered are:

I. Is there any general rule that a bill authorizing a bond issue is a "bill for raising revenue" within the meaning of the Constitution?

II. If the answer to I is in the affirmative, are the bond-issue features so incidental to the primary purposes of the bill as to except the bill from the operation of the general rule?

III. IS THERE ANY GENERAL RULE THAT A BILL AUTHORIZING A BOND ISSUE IS A "BILL FOR RAISING REVENUE" WITHIN THE MEANING OF THE CONSTITUTION?

(1) Legislative precedents: Under the precedents in Congress the question must be

answered in the affirmative. In 1837 the Senate passed a bill authorizing the issue of 1-year Treasury certificates which was sent to the House. Upon motion made to consider it the objection was raised that it was a bill which could not originate in the Senate. The motion to consider was immediately withdrawn and the House passed its own bill which was accepted by the Senate. (5 CONGRESSIONAL GLOBE, 92.)

The only other debated precedent was in 1917, when the Senate added to the naval appropriation bill an amendment providing for the sale of \$150,000,000 of bonds by the Secretary of the Treasury. The House returned the bill with a message stating that the amendment providing for the bond issue contravened the Constitution and was an infringement upon the privileges of the House. (54 CONGRESSIONAL RECORD, 4731, 4828.) The Senate repassed the bill, omitting the provisions for the bond issue.

### III. POWER OF COURTS TO DETERMINE QUESTION

It should further be noted that the Supreme Court on several occasions has intimated a doubt as to whether there is judicial power, as to an act of Congress that has been duly passed, to inquire in which House it originated for the purpose of determining its validity. (*Rainey v. United States* (1914), 232 U. S. 310; *Flint v. Stone Tracy Co.* (1910), 220 U. S. 107; *Twin City Bank v. Nebecker* (1897), 167 U. S. 196.) In the last two cases the doubt expressed was as to whether the court could go behind the enrolled bill to the Journals of the two Houses in order to ascertain the origin of the act. Judge Hough, however, in a Federal district court case, ascertained from the marginal notes to the act as shown in the Statutes at Large that it had originated in the Senate, and inasmuch as a tax was imposed by the act, he held it unconstitutional. (*Hubbard v. Lowe* (1915), 226 Fed. 135.) If Judge Hough is right, then the present practice of enrolling bills, if Senate bill 3331 becomes law, the court could without reference to the Journals of Congress ascertain that the bill originated in the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield at this time for a question, or does he prefer not to yield now?

Mr. JOHNSON of Colorado. I am glad to yield to the Senator.

Mr. SALTONSTALL. I should like to ask a question. The Senator has spoken about appropriation bills and about revenue-raising bills.

Mr. JOHNSON of Colorado. That is correct. In fact, I have spoken about all four phases of the matter.

Mr. SALTONSTALL. What are the others?

Mr. JOHNSON of Colorado. The first is that section 2 is an authorization bill.

Mr. SALTONSTALL. Yes.

Mr. JOHNSON of Colorado. Section 2 is all of four different things: First, it is an authorization bill; second, it is an appropriation bill; third, it is a revenue-raising bill; and, fourth, it is a bill which contravenes any debt limit which the Senate may fix.

Mr. SALTONSTALL. So far as the Constitution is concerned, the only question raised by the Constitution is as to the raising of revenue. Is not that correct?

Mr. JOHNSON of Colorado. That is the only question which is affected by my point of order. I merely call attention to all the things which section 2 does. I do so in order to show what a serious

thing we are doing when we adopt section 2.

Mr. SALTONSTALL. Then, so far as the appropriation portion of the argument is concerned, assuming that the Senate passes the pending measure and sends it to the House of Representatives, the House of Representatives can pass its own measure and can send it back to the Senate, and the Senate can concur in that measure or can request a conference. Is not that the case?

Mr. JOHNSON of Colorado. Yes. When we pass this measure, if we delete section 2, all of my objections will be removed, because then the measure can go to the House of Representatives and the House of Representatives, in its own constitutional, traditional manner, can write into it section 2 or whatever provision it wishes to write into it. The House of Representatives can then make it an appropriation measure, or the House of Representatives can make it a revenue-raising measure; and, of course, all the rights and prerogatives of the House of Representatives will be protected in that way.

But that is not what we are doing, let me say to the Senator from Massachusetts. The Senate, without authority and without power, is attempting to write into this measure a provision which is clearly a revenue-raising provision. I say that is a reckless thing to do, in view of the limited amount of time the Senate has to deal with the multitude of important problems which are facing it. I say it is reckless for the Senate to take chances on having all its work thrown back at it by the House of Representatives. I am almost certain that the House of Representatives will do that, because every time the House has voted on the matter, so far as I have been able to ascertain, it has always returned such a measure to the Senate.

Mr. SALTONSTALL. The determination of the question whether the measure is a revenue-raising one depends upon the construction of the words used in it; does it not?

Mr. JOHNSON of Colorado. Of course it depends upon the construction of the words used in it. It depends upon how the House of Representatives interprets those words.

Mr. SALTONSTALL. Then, it is necessary to interpret the meaning of the words "use as a public-debt transaction" and the words "are extended to include such purpose." In other words, I refer to the portions of section 2 which read as follows:

The Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

In short, the two verbs "use" and "are extended," in that portion of the section, must be construed or interpreted to mean the raising of revenue, in order to bring this measure within that provision of the Constitution. Is not that the case?

Mr. JOHNSON of Colorado. In order to bring it within that provision of the



Constitution, as I see it, we must understand that this measure provides for the sale of securities. My contention is that the issuance of securities is a revenue-raising procedure. That is the point.

Mr. SALTONSTALL. Does the joint resolution, by its terms, provide for the issuance of bonds?

Mr. JOHNSON of Colorado. I shall read the language, for it clearly states that it does. It is as follows:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed—

Mr. SALTONSTALL. I ask the Senator to stop at that point. Does the Senator consider the words "to use as a public-debt transaction" to be money-raising words?

Mr. JOHNSON of Colorado. We must read the entire sentence. We cannot stop there, although I wish we could. We must read the entire sentence, and I do so now:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000—

There is the debt limit about which Senators have been talking—

of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

The Senator must know that unless that language is included, the Treasury Department would not be authorized to make payments under the agreement.

Mr. SALTONSTALL. It could not make any payments under the agreement unless the purposes for which the Second Liberty Bond Act was enacted were extended to include the purpose to which reference has been made. Is not that the principal purpose of this section?

Mr. JOHNSON of Colorado. The section has several purposes. It is an authorization, it is an appropriation, it is a money-raising provision, and it has something to do with the debt limit. It affects the debt limit which the Congress has power to establish.

Mr. SALTONSTALL. To use the Senator's words, is it not an authorization, an appropriation, and an extension of the purposes for which the Second Liberty Bond Act was enacted?

Mr. JOHNSON of Colorado. I ask the Senator, What were those purposes?

Mr. SALTONSTALL. To use the Senator's own words—

Mr. JOHNSON of Colorado. Yes, I know; but the purpose of the Second Liberty Bond Act was to raise money, was it not?

Mr. SALTONSTALL. The purpose of the Second Liberty Bond Act was to raise money. As I interpret the words, the money may, at the present time, be already on hand in the Treasury, or the bonds may have already been authorized. This proposal would not include the authorization of any new bonds.

Mr. JOHNSON of Colorado. Of course, the Senator may reach that conclusion if he wishes to.

Mr. SALTONSTALL. Is not that the issue?

Mr. JOHNSON of Colorado. No; it is not the issue at all. The issue is this: We are paying out money through this appropriation measure, but before we can pay out money we must take in money. Before we can make an appropriation we must raise the money. I ask the Senator, What is his interpretation of the word "hereafter" at the end of line 7 on page 3 of the joint resolution? The language reads, in part, "proceeds of any securities hereafter issued." It seems to me that the word "hereafter" as used in the language which I have quoted answers the Senator's argument that the money is already in the Treasury.

Mr. SALTONSTALL. I agree with the Senator that the language would indicate that the money must come from Liberty bonds hereafter sold. We then come to the question of whether a bond issue is a revenue-raising matter, and whether this language is not designed to extend the purposes of the Liberty Bond Act.

Mr. JOHNSON of Colorado. I think the question is one of whether the sales of securities and bonds are revenue-raising acts; that is the issue which the legislative counsel found in the question. Senator Ashurst, of Arizona, brought forward the question with regard to the Boulder Dam project. Our legislative counsel, to whom I submitted my question, said that the same issue was involved here, namely, that of whether the sale of securities is or is not revenue raising.

Mr. President, tomorrow I shall make a further argument with respect to this matter.

Mr. AUSTIN. Mr. President, will the Senator from Colorado yield in order that I may propound to him a question?

Mr. JOHNSON of Colorado. I yield.

Mr. AUSTIN. Assuming that section 2 is a revenue-raising section, does the Senator consider that the measure might be passed without section 2 being in it?

Mr. JOHNSON of Colorado. Yes. If the Senate were to eliminate section 2 from the joint resolution, pass it, and send it to the other House, where the House would insert an appropriation provision and a revenue-raising provision, I think that all the objections raised by my point of order would be taken care of.

Mr. AUSTIN. Does it not follow logically in the Senator's mind that this is a measure in which the element of raising revenue is incidental to its main purpose?

Mr. JOHNSON of Colorado. No; I do not believe so. I do not believe that we can say it is merely incidental to raise \$3,750,000,000. I think that such an item is a very important part of the measure. But I also assert that the act of providing for such an amount is, under the Constitution, a right and prerogative belonging to the House of Representatives, and that the Members of the House

are the ones who should exercise the prerogative. It is my belief that they will exercise such prerogative when given the opportunity, and that all our time which has been consumed in considering the pending joint resolution will have been wasted, because I believe they will send the measure back to us.

Mr. AUSTIN. I received the impression from what the Senator said that he regards the amount of money provided for in the pending joint resolution as determining whether the proposal is a revenue-raising measure or is not a revenue-raising measure.

Mr. JOHNSON of Colorado. No. I regard it as having no bearing on the word "incidental." To me "incidental" means something relatively unimportant. Perhaps I am placing the wrong construction on the word "incidental." I think the amount in this provision is tremendously important.

Mr. AUSTIN. To what figure would the Senator be willing to reduce the amount in order to make it incidental?

Mr. JOHNSON of Colorado. To about 50 cents, or perhaps \$1.50. I might go that high.

#### THE ANGLO-AMERICAN REPORT ON PALESTINE

Mr. MEAD. Mr. President, I wish to discuss briefly the Anglo-American report on Palestine, which was recently made public.

The pronouncement of Prime Minister Attlee, immediately following the publication of the Anglo-American Committee's report, exhausts the patience of every informed American. Mr. President, I wish it to be understood that the speech which I am now making is not directed against the pending measure, because I favor it. The speech is not directed against the nation which has only recently been an ally of ours, because I recognize the need for world unity. The speech which I am making is for the purpose of pointing out an injustice which has resulted from a recognition made in good faith by the representatives of this country and of Great Britain. The Prime Minister's observations actually destroy the intent and purport of the report on Palestine made by the Anglo-American Committee.

Many months ago President Truman took the initiative in suggesting to the Prime Minister that 100,000 survivors of nazism be admitted to Palestine. We were told that it was easy for the United States to make fine gestures and give good advice while Britain must bear the responsibility. In this manner we were maneuvered initially into the appointment of the Anglo-American Committee. The Committee was appointed. It held exhaustive hearings. It made a survey and inquired into the economic, political, social, military, and other aspects of the situation. Later it made its report.

When the Committee was appointed, we were given to understand that the two Governments, particularly the British Government, which holds the mandate over Palestine, would be guided by the recommendations of the Anglo-American Committee. If we had not been assured that they would be guided by the

report, I am certain that the Committee would not have been appointed. We were told prior to the fulfillment of President Truman's request for the emigration of 100,000 Jewish survivors that the fact-finding American Committee would inquire into the essential features of the situation. The Committee did so. It went into every phase of the question. It held hearings in the United States, in England, and in Palestine, and it covered every possible activity within its province. Thus, the Committee had to pass judgment on the actual position of the surviving Jews in Europe, on the possibilities of their integration into Europe's life, on their emigration needs, and on the question of into what lands would they and could they immigrate. The Committee was also entrusted with the task of examining the political, economic, and social conditions in Palestine as they bear upon the problem of Jewish immigration and Jewish settlement.

Even when the committee was appointed, Mr. President, many of us had grave misgivings. We felt that many of the Jewish displaced persons might perish while the committee was engaged in ascertaining the facts. It was abundantly clear to any unprejudiced mind that the bulk of the Jewish survivors would be unable to live in Europe, which had been poisoned by Nazi propaganda, and which, for the Jews, had become one colossal graveyard. It was also made clear that if these unfortunates were to be saved from starvation and death, it would be necessary for them to emigrate, and emigrate quickly. It was also evident that their predominant majority was bent on going to Palestine and nowhere else, and that Palestine, especially its Jewish sector, was both willing and capable of absorbing the Jewish remnants of Europe. We were assured of all those things, Mr. President, on the basis of innumerable reports, and the testimony of experts, just as we were also assured that the Christian world owed such treatment and much and more to the innocent scapegoats of Nazi bestiality.

Mr. BREWSTER. Mr. President—The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from New York yield to the Senator from Maine?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. Is it not a fact that there are more than a million unfortunate Jews in central Europe who have never been able to receive a single loaf of bread from UNRRA?

Mr. MEAD. It is my understanding that that is a fair and accurate statement, and that unless something is done the rapidly gaining death rate will be accelerated. It would give all of them hope, it would give them strength for survival, if the report of the Anglo-American Commission were enthusiastically approved, and if certificates should be issued immediately for their ultimate location in Palestine. But it adds to their misery, it is an increased burden for them to carry, after the Commission is appointed, after the Commission makes a survey, after the Commission make its report, to have the report of the Commission conditioned with almost insur-

mountable obstacles by the British Prime Minister.

The British Government wanted a new inquiry, and we lent ourselves—our name, our men, our responsibility—to this plan. Britain appointed 6 men, and President Truman appointed 6 men. Now we have the combined report of the 12 members. All the known sad facts about the Jewish position in different countries were again confirmed and reiterated. Most of their political recommendations, especially those with regard to long-range policies, were vague, and paid little attention to the established rights of the Jewish people, and to past confirmation of these rights by Great Britain, by the United States, and by other nations of the world, particularly by 54 foreign nations which gave to Britain the mandate at San Remo.

However, Mr. President, at one point the committee spoke in clear, unmistakable language. That was on the question of the 100,000 to be immediately admitted to Palestine. After a delay of several months we finally had British-American approval of President Truman's original request for the 100,000 certificates. This approval was both British-American and unanimous.

Those who perished in the meantime, no human effort can bring back to life. But at least 100,000 of the Jewish displaced persons, particularly 100,000 of the 1,000,000 persons brought to my attention by my distinguished colleague from Maine, can be saved if great dispatch and speed are given to the recommendations of the Commission.

Mr. President, we believe that the report of the Commission should instantly be approved by the two Governments which created the Commission. The Commission spoke for the two Governments and the Commission made its findings to guide the two Governments. We were disappointed, and the people who are supposed to be the recipients of the benefits of the report are certainly disappointed, and, I may say, neglected and abandoned.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. I do not wish to interrupt the Senator's statement—

Mr. MEAD. That is perfectly all right.

Mr. BREWSTER. There has been a great contribution to the confusion prevailing in this matter as a result, first, of the various ramifications in the report; and, second, by the treatment to which the Senator referred, by the Prime Minister, who attached certain conditions to the carrying out of the report.

It seems to me that the situation would be very greatly clarified if the American people and the Congress could understand that the recommendation that 100,000 refugees should go to Palestine is simply a recommendation that the plain terms of the mandate of the League of Nations to Britain should be fulfilled, that the terms of the white paper, as it was called, which, under the Chamberlain government, restricted the immigration, first, to 75,000, and now has cut it off entirely, was denounced by Winston

Churchill in the Parliament as a plain violation of the covenant of the League and the mandate; was denounced by Mr. Herbert Morrison, the present Labor leader of the British House of Commons, as a plain violation of the mandate; and was denounced by unanimous opinion of the Mandates Commission of the League of Nations as a violation of the mandate of the League. So that there was no approval by any responsible authority, outside the British Government, including the Government of the United States, which expressly declared, through President Roosevelt, that it had never approved the white paper—we were a party by reason of the Coolidge Convention of 1924—and the Mandates Commission of the League, which was the juridical body to pass upon the question.

Furthermore, Dr. Lowdermilk, the very able Assistant Chief of the Soil Conservation Service, has made it abundantly clear that there was no need to increase the absorptive capacity of Palestine, that Palestine could not only absorb 100,000 but from two to three million.

So, world opinion has a complete right to expect that the British Government will immediately move forward in accordance with the request of the President of the United States, in accordance with the recommendation of the Commission, in accordance with the finding of the Mandates Commission of the League, and of every responsible authority, including Winston Churchill and Herbert Morrison themselves, that the Jews of central Europe should be permitted now to go to Palestine without further delay, with the results which follow delay, as we saw when last June a committee of six Members of the Senate visited Dachau and the other concentration camps and saw prisoners dying at the rate of between two and three hundred a day, because there could not be adequate provision for care.

Therefore it seems to me that the opinion of this country should be clarified. Asking for the admission of the 100,000 Jews to Palestine is not a matter affected by other provisions which may be in the report. There are other provisions in it, with which I think anyone interested in the problem and familiar with the questions must violently disagree, but the fact that that is so by no means indicates that the doors of Palestine should not be open for the admission of the 100,000 refugees without delay, and, as I believe, to the million Jews who remain alive still in central Europe, with no place to lay their heads.

Mr. MEAD. Mr. President, I am in thorough agreement with the observations which have just been made by my colleague from Maine. I am of the opinion that there is no parallel case in history of a great nation having agreed to carry out a responsibility expediently disregarding its responsibility as is the case with Britain and its charge, Palestine.

It is true that they accepted the mandate as explained by my distinguished colleague from Maine; it is true that 54 nations of the world were responsible associates in giving that mandate; it is



true that the United States took the necessary steps to become a part and parcel of that mandate, and that we expected to be notified if there were any change or alteration in the assumed responsibility. Yet white paper after white paper repudiating the mandate was issued by the Government of Great Britain without bringing the matter to our attention, and certainly without our approval and without our support.

Mr. BREWSTER. Will the Senator further yield?

Mr. MEAD. I yield.

Mr. BREWSTER. Is it not also true that since the entire right of Great Britain in Palestine is a result of the mandate of the League which created them as mandatory, it could only be modified by the action of the power which created it, the League of Nations?

Mr. MEAD. That is correct.

Mr. BREWSTER. Or by the successor thereto, that is, the United Nations of the world, who have succeeded to the mandates of the League, and with the compliance of the United States of America, through the competent authority, because of our participation through the Coolidge Convention of 1924, which was ratified by the Congress?

Is it not true that while the hundred thousand refugees whose admission to Palestine is requested are entirely within the terms of the mandate, in accordance with what everyone has said were their rights, the other conditions of the report of the Anglo-American Commission can have no validity until they are approved not merely by the Government of Britain, not merely by the Government of the United States, but by all the nations concerned in the mandate of the League or of the United Nations. Furthermore, the executive authority of the United States cannot possibly extend to the modification of the mandate, because it was created by a treaty ratified by the Senate of the United States, and therefore could only be modified by an authority equal to that which created it.

While we might welcome the inquiries of the Commission, while we might pay respect to them as a body of respectable gentlemen, yet we must recognize that the only validity any action regarding Palestine can ever have is through the action of the Governments, through their constituted constitutional authority to modify the terms.

Mr. MEAD. Mr. President, I think my colleague has given the correct legal history of the mandate and the correct legal interpretation that is to be associated with any modifications or alterations of the mandate before it can be approved.

The mandate, which was the creature of the League of Nations, was given to Great Britain to carry out. It was approved later, as the Senator from Maine well pointed out, by the United States. No change can be made in that mandate, no modification affecting the mandatory power can be made, and no alteration can be made, unless it is made, as the Senator has so well explained, by the power which gave the mandate, and by the powers which subscribed to it. The President of the United States cannot, by creating a commission or by issuing

a proclamation, modify that mandate. The Prime Minister of Great Britain is without power and authority to interfere with it. That mandate, as the Senator has well said, in my judgment will have to be considered, if it is to be amended or altered, by the power which gave it or by the power which succeeds the power which created it. So, Mr. President, the report of the Anglo-American Commission only emphasizes the necessity for making available in Palestine a homeland for the Jewish people of central Europe, who have suffered so much in the last few years.

Mr. President, the observations made by the Prime Minister, the requirements which he has promulgated, are entirely beside the point. They are in my judgment made to complicate the situation and cause further delay.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. I am glad that the Senator from New York made that point, as it seems to me to be the inevitable result, and I think it must be considered to have been the intention to confuse the public opinion of this country as to the issue, by stipulating these conditions and by bringing forth the whole report, much of which is entirely beyond the competence of any existing executive authority.

The first 100,000 refugees to be admitted to Palestine are within the immediate power of the British Government, and within its immediate obligations under the mandate, as pronounced by every competent authority, British and American, who has considered the question. The only consequence of this delay and confusion is further to add to the difficulty.

The British say, "Well, the Arabs are going to make difficulty, and ibn-Saud is threatening war." Having vanquished Hitler and Hirohito, does it seem possible that the British lion is going to retreat before an Arab sheik whose only power has arisen from the grants made to him in the past 10 years by the British and American Governments and by British and American oil companies? All the arms and munitions and whatever limited resources he possesses come solely from those sources, and all the forces he possesses are thousands of miles away across the Arabian desert, as we saw when we traveled over that area. The problem of pacifying Palestine could very easily be handled if the 25,000 volunteers from Palestine in the British Army were simply allowed to return and defend the admitted rights and obligations of the British Government in that area.

Mr. MEAD. It occurs to me that Great Britain could very well carry out the responsibilities entrusted to her by the mandate and that she could accomplish that objective without the use of military force. But if the use of military force should be found to be necessary, in view of the assumption of this responsibility by Great Britain, it would not be very difficult to take appropriate action.

The Senate will recall that only recently a mutual treaty was approved between Great Britain and Trans-Jordan. It occurs to me that both countries agreed to come to each other's defense if the necessity should arise. Students of the Middle East have observed that this treaty is for no other purpose than to allow a large concentration of military power in the Middle East. It will probably result in setting up military bases in Trans-Jordan to accommodate the troops that were heretofore located in Egypt. Nevertheless, Mr. President, we all know that Britain has a strong military force, which is equipped with modern, up-to-the-minute weapons, and that any excuse that she cannot carry out the responsibilities of the mandate because of fear of revolt and insurrection will not be accepted by students of the affairs of the Middle East. I quite agree with my colleague's observations in that connection.

I desire to speak of the two requirements which the Prime Minister developed after the Commission had made its report. Mr. Attlee formulated two British conditions to the grant of the 100,000 immigration certificates. First, that the Jewish agency bring about the voluntary disarmament of the Jewish "illegal armies" in Palestine. Second, that America share in the responsibility for bringing the 100,000 Jews into Palestine.

I, for one, have no illusions with regard to Britain's policy and intentions in Palestine. I am, therefore, sure that the acceptance of the above two conditions would not settle the problem; for I believe that thereafter new objections would be made and new conditions purporting to accomplish the desired results would be imposed, although actually they would prevent the salvation of European Jewry and the advancement of the wonderful Zionist enterprise in Palestine. But let us look into the two conditions posed by the Prime Minister.

First of all, I believe that the demand for the disarmament of the Jewish self-defense organization in Palestine was not made in good faith. No man, I take it, would believe that 600,000 Jews in Palestine surrounded, as they are, by twice their number of Arabs in Palestine and by millions of Arabs in neighboring countries, would give up their only means of protection and place themselves, their wives, and their children at the mercy of the Arabs. It occurs to me that would be asking them for too great a sacrifice under existing circumstances.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BREWSTER. Did I understand the Senator to say that he thought the demand for disarmament was not made in good faith or was made in good faith?

Mr. MEAD. I thought that the demand on the part of the British that the illegal armies surrender their arms and that we participate in the responsibility associated with settling 100,000 refugees in Palestine was not made in good faith, but was made to postpone and to put off and ultimately to sabotage the undertaking. It occurs to me that under existing conditions, with a hostile British

administration, and with encouragement given to Arab leaders to initiate hostile raids, it might prove disastrous for the Jewish people to give up such defense methods as they may have under existing circumstances to protect themselves. It is not for them, in my judgment, to create peace in that community. It is for the power which has the mandate, the power which has the military might, and it can do so. It is my judgment that that power will find the Jewish people eager and willing to cooperate in any effort of that kind. But an effort has not been made in good faith, and until it is made it will be difficult for me to blame the Jewish people of Palestine for devising some means of self-protection.

Mr. President, the second condition of Britain's Prime Minister, namely, that we share responsibility for the immigration of 100,000 Jews into Palestine, does not appear to me to be valid. First of all, we are not told whether the responsibility we are to assume is to be political, financial, or military. It occurs to me that they ought to be more specific. But if we are to share in the responsibility, if it is to be political, military, and economic, then, of course, it should carry with it our participation in everything else associated with Palestine, including some of the rights and privileges. Many of them I am not concerned with, nor is the United States concerned with them, I am sure. But to assign to us a specific responsibility, while reserving to themselves many of the attractive rights and privileges, does not seem to me to be acting altogether in good faith.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BREWSTER. I ask whether or not the Senator from New York has explored the question of why this matter should not be brought immediately to the attention of the United Nations Council now in session in New York?

Mr. MEAD. I am of the opinion, after considering the question at great length, that it will never be solved if the mandate is left where it is, with Great Britain. I am of the opinion that from the very beginning, at every turn she has avoided and evaded her responsibility. I have given up hope. I have exhausted my patience with Great Britain. I believe that this mandate ought to be turned over to the United Nations, there to be considered, there to be renewed, and given to nations which will carry out and respect their responsibilities.

Mr. BREWSTER. Is not the United Nations Council the tribunal to which appropriate appeal might be made, first, for a determination of whether or not Great Britain has fulfilled its obligations under the mandate; and, second, whether or not the threat of Ibn-Saud that he will raise a holy war against Britain and the United States may be a threat to the peace of the world of which the United Nations Council should appropriately take cognizance?

Would the Senator from New York join with me in representations to the State Department of this Government and the President that the representa-

tives of the United States in the United Nations Council should pause a moment in discussing the difficulties in Iran, in discussing the difficulties in Spain, and in discussing whether or not Russia is fulfilling her obligation, and ask whether or not justice is being done in Palestine, when 1,500,000 Jews are perishing because of the failure of the mandatory power to act and because of the refusal of the mandatory party to carry out its plain obligation? Could not the United Nations Council properly and prudently take a few minutes off from its other concerns to consider this immediate problem, particularly since it happens to be the fact that, while neither of the great parties in their platforms at Chicago mentioned Iran, Russia, nor Spain, both parties pledged themselves to see that the obligations regarding Palestine were fulfilled? Is it not high time that those responsible for administering our foreign relations should see to it that the United Nations Council, the appropriate tribunal, gives consideration to this matter, without delay, first, because it concerns justice in the world, and, second, because it contains a potential cause of conflict, with which the United Nations Council is so immediately concerned?

Mr. MEAD. Mr. President, because of the sacrifices which the Jewish people have been called upon to suffer in the past; because of the contribution which they made throughout the war, and because of the devastation they face and the peril in which they live at present, I think their case is vitally important. I think it should be taken up without delay by the United Nations, and I think it should be dealt with in a humanitarian manner, to the end that the mandate will be respected and carried out in the future, and that unnecessary suffering shall come to an end. I am of the opinion that if the United Nations were to take over and consider this question, reach an agreement upon it, and come to a determination, there would be no military revolt, no holy wars would be inaugurated, and peace and equity would result in Palestine.

As I pointed out earlier in my remarks, only a short time ago Great Britain, in violation of the mandate, set up an independent nation within the mandated area, namely the nation of Trans-Jordan, and within it established a military base. Probably the British are spending millions of dollars to concentrate a huge military force there. That in itself, in my judgment, is a violation of the mandate. That creates a menacing condition in the Near East. An agreement between two nations in violation of a mandate agreed upon by many nations is a violation of the spirit of the United Nations. It occurs to me that that was not a friendly act, and that it was done for the purpose of establishing British military might in the Middle East.

Mr. BREWSTER. Mr. President, will the Senator further yield?

Mr. MEAD. I am glad to yield to the Senator from Maine.

Mr. BREWSTER. If the Senator is correct, that the creation of the independent state of Trans-Jordan under the

dictatorship of Emir Abdullah was a violation of the mandate, is it possible to justify that action on the basis of a resolution introduced in the United Nations Council, as I am informed, at London, recognizing the action, calling attention to the fact that the British had announced its intention last January to do this, and simply taking cognizance of the action, without reference to the Congress of the United States, which was a party to the original agreements, and without consultation with the other authorities concerned?

Mr. MEAD. It is my opinion that that would be illegal. It would not serve to give Great Britain authority or sanction her action, because it is a modification of the original mandate, and that mandate cannot be altered or modified by any action taken by Great Britain, followed by the adoption of a resolution which considers only that portion of the mandatory agreement. In my judgment it would have to be referred to the United States, because we passed upon it with the distinct understanding that any proposed modification would come to us for consideration.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. MEAD. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I merely wish to say that I think the Senator is eminently correct in his position that Great Britain does not own this territory. She has it under a mandate. It is not a colonial possession that she can do with as she pleases. Therefore I think the Senator is on eminently sound ground when he makes the contention that this agreement cannot be modified unilaterally or bilaterally, without the consent of all concerned.

Mr. MEAD. It goes back to the original mandate and to the power which created the original mandate. When that power is followed by a subsequent power which takes over its authority, and that power, after consideration of the entire mandate, modifies it, only then is the modification legal. In my judgment it would then have to be referred to the United States because of the requirement in the treaty that no change be made unless we accede to it.

Mr. President, I regret that the Prime Minister has seen fit to require that new conditions be met before the recommendations of the Anglo-American Commission are carried out. The Commission was created after considerable discussion between representatives of both countries had taken place. It was understood by everyone who followed the subject that the inquiry made by the Commission and the report of the Commission were to guide Great Britain and the United States, and particularly the mandatory power, Great Britain. When the report was made and received in this country and in the United Kingdom, the one feature of it which received unanimous approval was the immediate migration of 100,000 refugees from Europe to Palestine. Everyone seemed to be in agreement with that recommendation, and everyone lived in the hope that it would be consummated without delay.



When these two new conditions were announced by the Prime Minister of Great Britain, fair-minded people all over the world were shocked. The announcement must have shocked Winston Churchill and Herbert Morrison, who on the floor of the House of Commons had bitterly assailed their Government for its treatment of the Jewish question. Certainly, it was a bitter disappointment to President Truman, who months ago had expressed the hope that 100,000 people would be admitted to Palestine without delay. It was a bitter disappointment to people who had been led to believe that when a great nation had agreed to assume a responsibility it would be fulfilled. It was a bitter disappointment when one modification after another and one alteration after another were made known, promulgated by the responsible nation. If we are to have faith in agreements, if we are to have faith in nations discharging their responsibilities, here is an opportunity for the British Government to fulfill its responsibility, to stop quibbling, to cease imposing conditions which are impossible of attainment, and to show its good faith in a responsibility which was entrusted to it by the other nations of the world.

So, Mr. President, I merely make this point in conclusion: I am disappointed in the attitude of the Prime Minister. When I say I am disappointed, I believe I can also say there is disappointment in many circles throughout the Nation and in many parts of the world where people had hoped and where governments had believed that the report of this Commission would be carried to fulfillment.

While we are still discussing the matter, Mr. President, and while the carrying out of certain conditions is still being advocated, the Jewish population is decreasing. The Jewish people have been dying by the thousands. The death rate will accelerate. How much longer they will be called upon to make this sacrifice depends upon the forthrightness of the Prime Minister and his government. Mr. President, I hope their attitude will change. I trust that they will recognize their responsibility and will realize that they cannot continue with one postponement after another, as is the history of this case, and at the same time expect to enjoy the confidence and good will of the other nations of the world.

Mr. BREWSTER. Mr. President, I am very much interested in the statement of the Senator from New York regarding the Palestine situation. I am sure he has made a very valuable contribution to the public understanding of the issue.

A million and a half unfortunates in central Europe may find it a little difficult to understand how, in the eagerness of his advocacy of their cause, he at the same time turns around and votes for a \$4,000,000,000 loan to the very people who are crucifying these particular people. I hope the Senator from New York will ponder this issue very carefully in the next few days before it comes to a vote, and will consider whether the way to get Great Britain to fulfill its obvious obligations, on which we are all agreed, is by giving her a \$4,000,000,000 bonus while she is in such obvious default.

I speak of this matter, not in any capacious spirit, but because I think it is implicit in the entire course of our relationships with Britain in the next few years. There will be a great variety of problems in connection with this matter in which there will be an American viewpoint, an American policy and, I apprehend and hope, at times they will be at variance with those of the British. I believe that the British will be much more inclined to collaborate with us in the measures which we deem to be essential for the maintenance of peace, if we have not committed ourselves in the meantime to an advance of \$4,000,000,000, which would be sufficient to make them, in an economic sense, as independent as a hog on ice for a considerable time to come. If we pursue the other policy, namely, that of giving them a billion dollars, or a billion and a half dollars, which they may immediately need, we should look over the situation at the end of a year or two, determine how the British are getting along, and ascertain whether they are prepared to fulfill their 25-year-old obligations before expecting us to go forward with a grant to them of unlimited credit in order to carry out their particular designs.

Mr. President, I wish to speak concerning a matter which is equally involved, namely, that of credit.

In any transaction involving the extension of credit, the person or nation lending the money is entitled to know what use will be made of it. I take it that that is axiomatic. On that theory, and because I believe it to be pertinent to the subject now before the Senate, I wish to invite attention to an article written by Mr. Walter Lippmann and published in the Washington Post of Tuesday, May 7, and, I assume, in other newspapers which customarily publish Mr. Lippmann's column.

Mr. Lippmann was reporting upon his observations made during a tour of Europe from which he had just returned. He stated that Great Britain and the Soviet Union are maneuvering for position "in anticipation of war which they regard not necessarily as inevitable, but as probable." The particular portion of his column, which I believe has a bearing on the subject now before us, reads as follows:

Much of this Anglo-Soviet duel is hidden from view, yet not so much but that we know that much is hidden. The German officers who were captured at Stalingrad, and were for a time used to make propaganda against Hitler, have disappeared behind the famous iron curtain. But it would be naive to suppose that they do not continue to form an important connection with important elements of the German Army.

There is also a German Army, a large and good one, which surrendered to the British. The story of that surrender has still to be told in detail. The story of what happened to that German Army after the surrender is still hidden behind a silken curtain. Enough is, however, known to warrant the statement that the corps of officers in this particular army were treated with exceptional consideration, with enough chivalry to justify them in feeling that their careers as professional soldiers were not necessarily and finally terminated. Their treatment may have been in fact merely sportsmanship to a loser and chivalry to the vanquished. But it has

suitably remarkably what these German nationalists most want to believe—namely, that they will live to fight another war in which Germany will recover her territory and her greatness.

The implications, some of which are very thinly veiled in what Mr. Lippmann has to say about the existence of a German Army which surrendered to the British, are staggering. Mr. Lippmann is one of the foremost journalists in the United States. He is skilled in the precise use of language, and he is universally known as an accurate reporter. Mr. President, allow me to point out what he says:

● There is also a German Army—

And he adds—

a large and good one.

That little two letter word "is" strikes me as being very important. We know, of course, that there was a large German Army which surrendered to the British, and that the surrender took place exactly 1 year ago. Are we justified in inferring from what Mr. Lippmann has written that the elements of the German Army, or a substantial portion of the forces, which surrendered to the British, are still in existence as organized military forces?

I point out again that Mr. Lippmann says that this army is "a large and good one." What is meant by "good," a good army? I assume that no one would attempt to argue that an army without weapons would be a good army. Armies are created to fight. But in order to fight they must have arms and ammunition. An unarmed army certainly could not be described as a good army.

So, from Mr. Lippmann's article the conclusion seems to be inevitable that, unless he has been misinformed, there is now in existence, as a fighting unit, a formidable German Army. Presumably it is being maintained in the British-occupied zone of Germany. The maintenance of "a large and good army," to use Mr. Lippmann's words, is an expensive proposition. It would be expensive even if the army were composed of prisoners of war. On this point, however, let it be assumed that there is no accurate information, and that the members of this German Army receive very low pay, or even none at all. Under international law I believe that we must pay them at the same rate as they were paid when they were a part of the forces fighting for Germany. However, the cost of maintaining such a force in fighting condition would be very considerable.

We are now being asked to loan several billion dollars to Great Britain. So, it seems to me to be pertinent to inquire if a part of this money is to be used by the British for the maintenance of an army of German mercenaries on the Continent of Europe. We know something about German mercenaries. For all I know, there may be some compelling reason for the British to maintain such an army. It is conceivable that such a course might be advantageous to the United States as well as to Great Britain. But on that point, Mr. President, as upon so many other points involving our relations with other nations, the American people, and even the Senate of the United States, are without adequate information. We hear

much talk about the so-called iron curtain behind which the Russians are operating in eastern Europe. Mr. Lippmann refers to what is called a silken curtain which conceals what is going on in the British zone of occupation.

Mr. President, I sometimes fear that we in the United States, so far as the administration is concerned, are living behind what may be described as a "verbal curtain," a curtain of language employed by high officials of this administration to conceal the real facts of the international situation. It seems to me that our State Department, or the President, might well answer clearly and completely the questions which are raised by Mr. Lippmann's column.

#### LEAVE OF ABSENCE

Mr. CARVILLE. Mr. President, I ask unanimous consent to be absent from the Senate for an indefinite period, to return if called upon by the majority leader.

The PRESIDING OFFICER. Without objection, leave is granted.

#### HEARINGS ON SALE OF SURPLUS ARMY TRUCKS

Mr. MEAD. Mr. President, I wish to make a brief statement relative to a hearing which the Special Senate Committee Investigating the National Defense Program will hold on Tuesday next.

On Tuesday, April 30, 1946, I reported briefly to the Senate on a matter which had been the subject of considerable interest in the Senate in a debate on April 12, 1946; namely, the sale of 600 2½-ton surplus Army Studebaker trucks which were offered for sale by Gimbel Bros.' department store in New York City.

The remarks which I made on that occasion were addressed principally to two aspects of that transaction; namely, the previous offering of the surplus trucks to priority claimants, and the proceeds the Government received from the sale of those trucks. These facts were obtained by the staff of the Special Committee Investigating the National Defense Program, of which I have the honor to be chairman.

On that occasion, some of the Senators who participated in the discussion indicated an interest in this matter beyond the two points on which I submitted facts, and requested that the committee afford an opportunity at a public hearing for a complete examination of all phases of this matter. At that time, I announced that the committee would hold such a public hearing and would give notice to the Senators who displayed an interest in the matter and would invite them to attend the hearing.

During the discussion, Senators raised some questions which did not bear directly on the particular transaction on which I reported, and it was requested that provision be made so that those matters could also be raised at the hearing. In this connection, let me say that the more important questions which were raised were two: namely, the steps which have been taken by the War Assets Administration to carry into effect the provisions of section 17 of the Surplus Property Act providing for sales of surplus property in rural areas, and the character of the notice—particularly, the

notice given to veterans—which is given to priority claimants before surplus articles are offered to the trade.

A question as to the principal in the case was also raised. The principal was stated to be Arthur Price Associates, for whose account the 600 trucks were purchased by 8 Cleveland dealers. It will be recalled that subsequently the trucks were sold to the general public by Gimbel's and one other department store. We learn that Arthur Price Associates actually was financed by and was acting for José M. Mayorga, 1 Wall Street, New York City. With reference to Arthur Price Associates, I state at this point that the committee has been informed by Mr. Arthur Price that his organization consists of himself and his brother, Irving Price, doing business as a partnership under the name of Arthur Price Associates. Mr. Price will appear at the committee's hearing, which I have already announced. At this time I do not propose to enter into a detailed discussion of his background, since it should be fully developed at that hearing. Questions as to his organization and as to who the "associates" might be were raised in the Senate debate to which I have referred.

Mr. President, as a result of that debate, in which a number of Senators participated, we have invited to attend the hearing the dealers who purchased the trucks, the Arthur Price organization which purchased the trucks from the dealers, Mr. José M. Mayorga, whom I have mentioned, who evidently financed the deal, and representatives of the department stores, who will be able to tell us how many trucks they sold and the price at which they were sold. We have also invited members of the War Assets Administration and other representatives of agencies in Washington to be present at the hearing. The public hearing of the committee will be held on next Tuesday, May 14, at 10:30 a. m. in room 318 of the Senate Office Building—the caucus room. The committee believes that this hearing will afford an occasion for all Senators who are able to be present at the hearing to inquire into the procedure in connection with the sale of surplus property, as it is exemplified in the sale of the 600 surplus Army trucks advertised by Gimbel's department store in New York City.

The committee has invited in addition to the persons I have already mentioned, Lt. Gen. Edmund B. Gregory, Administrator of the War Assets Administration, other officials of the War Assets Administration who have personal knowledge of this particular transaction, representatives of the eight Cleveland truck dealers, Mr. Arthur Price, and Mr. Fred Gimbel, president of Gimbel Bros.' department store.

Mr. President, I give this notice in order that Senators who are interested in the sale which has been referred to and Senators who have expressed an interest in the debate which incurred in the Senate a few days ago may be in attendance at the hearing, at which time we may not only develop the technique followed in the particular sale under consideration but may determine how

sales are made to farmers, farm organizations, and others in whom an interest has been expressed.

In conclusion, I express the hope that every Senator who is interested and concerned with the sale of surplus property and its administration will be present. We wish all of them to have an opportunity to ask questions and to make their observations, because our committee is attempting to do a constructive job in connection with the matter of the disposal of surplus military property.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. WILEY. Mr. President, the startling advance and discoveries of physical science in the field of atomic research are of such significance in this age that no thinking person can afford to ignore them.

The world-wide conflict has been succeeded by revolutions and civil wars throughout the earth; racial frictions have burst into flame; industrial strife in our own land has increased, and, to human sense, there is on every hand much evidence of disunity. Two great age-old ideological forces are in conflict. Yes; in conflict for the mastery of the world. They are the idea of the state as all-powerful, and the idea of the state as the servant of the people.

That, Mr. President, is what was so graphically depicted a few minutes ago by the Senator from Maine. It is known to every thinking person who has eyes with which to see.

The situation at home and abroad has a tendency to mesmerize us into a condition in which we, as individuals and as nations, feel impotent to heal the world's economic and political ills. Of course, on one hand we hear much talk of the need of the brotherhood of man, but what are we doing? What are you and I doing? These questions confront every one of us who desires to see the destructive forces harnessed and see true unity and peace established throughout the world.

Yes, what can I do as an individual in this critical hour to contribute to the solution of these problems? I have asked myself that question many times. Individually, I can have faith that this is but a temporal fever that we are witnessing and that it will burn itself out, and individually, if I am to square my actions with my faith, I must keep my thinking straight. I must put first things first. I must refrain from "barbing" individuals, classes, and other nations. When criticism is made, let it be for constructive purposes on a high level and impersonal as far as possible.

But, Mr. President, I am a Member of the greatest policy-making body in the world. In that respect I am different from the individual. This policy-making body has a separate and distinct responsibility apart from the individual. Its decisions now, because the world is contracted, will have much to do with the



world conditions of the present and future. America has been precipitated—whether we like it or not—into world leadership, and the Congress of the United States is facing the question: What can it do to contribute to the solution of these world problems?

There are at least 2,000,000,000 human souls on this earth. It has been estimated that there are not more than 200,000,000—and our race is among them—who believe in a government of checks and balances, deriving its powers from the people. These 200,000,000 have come up through the ages, through oceans of blood. They have come up after waging an interminable conflict against this other idea—the idea that the state is all-powerful and that the individual man is of no account. So, we, as Members of this people's Congress, must face individually the question: What can we do to meet the challenges that face us in this present world?

Mr. President, I am in favor of financial aid to Great Britain. My basic reason for this position is the enlightened self-interest of our own country, the self-interest which motivates a good Samaritan to help his brother to help himself.

I am not a member of the Senate Banking and Currency Committee, and was not privileged to hear the testimony on the measure before us, Senate Joint Resolution 138, providing for a 50-year \$3,750,000,000 loan to Great Britain, in addition to \$650,000,000 for the liquidation of lend-lease, and other items. But I have carefully read the hearings, weighed the literature on the subject, and heard all sides of the question. I have tried to keep my mind open so as to get the benefit of all possible light on this vastly significant question.

#### THE LOAN'S IMPORTANCE IN THE ATOMIC AGE

This issue cannot be decided on the basis of mere sentiment, or merely on the basis of an ordinary commercial loan. The whole future pattern of world political and economic relations is at stake. American leadership in this atomic age is at stake. We must view this subject from the perspective of future generations, from the perspective of international cooperation for a long time to come. There is no comparable period in history wherein our country faced such challenges ahead.

The atomic bomb, the rocket plane, and kindred inventions have changed the status of world relations, have bombed us loose from our traditional concept (since the days of George Washington) that we on this continent could live free, safe, and unhampered from the world's economic, political, and military problems.

Today, the world, every part of it, is just around the corner from every other part. A fire anywhere in the house of the world—an economic fire, a political fire, war fire—endangers our part of the house. By preventing economic, political, and war fires elsewhere, through this loan and the United Nations, we protect our own land; we look after our own interest.

#### REASONS FOR LOAN OR CREDIT

Let me, therefore, state that I support financial aid to Great Britain on these

basic grounds, and I am going to call a spade a spade:

First. Financial aid will, in the present world political crisis, bolster the position of representative government against the forces of dictatorship on the continent of Europe and throughout the world.

In this contracted world, where all nations are neighbors, it will preserve the very concepts for which we fought; for which our fathers fought—the right of freemen to life, liberty, and the pursuit of happiness. It will serve as a symbol of the unity and cooperation of free peoples.

Second. Financial aid to battered Britain will make for improved economic relations, between the nations, which are so desperately needed in this war-shattered world.

It will stimulate the economic currents that will circulate goods among the nations which are today experiencing such want.

The loan will not be a cure-all panacea; it will not solve all the world's economic problems, but it will prove a healthy economic shot in the arm not only for Britain, but for the world, which is vitally needed. I am not one of those who would overemphasize the value of the loan for increasing our world trade. For too long a time folks in high places have made a fetish of world trade.

Third. This loan, I believe, will be repaid and it is worth taking the financial risk.

I am, of course, fully familiar with the history of foreign nonpayment of debt owed to us after World War I. But I say that in this new atomic age, when faith among the nations is so important, when international obligations must be fulfilled, lest we all destroy ourselves in atomic war, England will and must make every effort to meet her future financial responsibility to us.

We dare not spurn this loan because of the element of financial risk. If this loan accomplishes its objectives and it, with UNO and the world bank and credit fund succeed in encouraging global unity and cooperation, then mankind will have been saved from destruction. If these mechanisms fail because they are not backed with the will, intent, and purpose of Russia, Britain, and the United States for a just and lasting peace, then God alone is our help.

#### THE NEED FOR COLLATERAL

I have stated that it is to the enlightened self-interest of America to back this loan. But let me make it clear that it would have been more to our interest if those who negotiated this loan for us had kept American interest more in mind by requiring British collateral to back up the loan.

Throughout my incumbency in the Senate, I have emphasized the importance of having America's foreign financial transactions backed up by other nations' collateral. I stated prior to Pearl Harbor that I would have backed lend-lease had British collateral in South America, for example, backed up the funds we gave her. This is and was horse sense and realism to require col-

lateral; to do so is to keep faith with the American people of this and future generations of whose funds we now are but the trustees.

Our negotiators might well have secured the type of collateral that Jesse Jones secured in 1941 as backing for the \$524,000,000 RFC loan to Britain.

Today it is estimated that the British-owned assets in this country amount to more than \$3,000,000,000, including United States Government bonds, corporate securities, and otherwise. It is estimated that British assets in other countries are more than \$3,000,000,000. Her unmined gold reserve is estimated at \$15,000,000,000. Her diamond reserves at \$8,000,000,000. She also has several billions in cash.

Let me say, parenthetically, all these assets show that Britain is not broke and give added assurance that she will revitalize herself economically and pay her loan.

Of course, there are factors which would limit the uses of part of this collateral. But surely we could have found ways to collateralize the loan.

Our American dealers obviously misdealt when they failed to include in the settlement American air and sea rights to British bases and American possession of air-sea bases as posts or outer ramparts of defense. This would have made for a just give-and-take, but our dealers were asleep at the switch, just as they were when \$5,000,000,000 of America's war items on hand in Britain were liquidated at a payment to us of 10 cents on the dollar.

But now that our negotiators have failed to secure for us collateral, which is available, should we reject the loan for that reason?

I voted today against the McFarland amendment because I believe that at this late stage it would mess up the whole situation.

Negotiations are now under way relating to bases. The Senator from Kentucky [Mr. BARKLEY] stated that adoption of this amendment would mean a death sentence to the agreement.

I have stated that the loan represents an historic undertaking required for many compelling reasons, and I should like to have us look closely at some of those reasons now.

#### 1. THE POLITICAL REASON

The first reason which I have given is that the ratification of this loan will help to preserve that small group of democratic capitalist nations on the western fringe of Europe against the forces of eastern communism. Yes; a strong Britain means strength for Scandinavia, Holland, Belgium, France. I believe, too, it means that other nations will the sooner get on their feet, including a cleansed and resurrected German people.

Let me make this clear: This is no "Red scare"; this is a realistic view of the situation. I believe that we must play ball with Russia in this contracted world. I believe that we must make every conceivable effort to cooperate with her and achieve with her a just basis for lasting peace. We must get better acquainted with each other. All curtains

must be torn down—suspicion, fear, distrust, and Russia's iron curtain.

But I cannot and will not close my eyes to the fact that while we are attempting to cooperate, communism is firmly entrenched in virtually every country of Europe, that communism is on the march, and that the mightiest bulwark against it on and near the Continent is the United Kingdom.

Yes; it is the United Kingdom, even with its Socialist Government, with which I do not agree, but which I recognize does stand for the basic freedoms of mankind, for which Englishmen have always stood and fought and died.

I hold no special brief for England. There is to my knowledge no English blood in my veins. I have not spared England or English feeling when I have thought that she was engaging in unfair tactics. I do not believe that the British horse traders who made this deal paid particular heed to the principle of give and take. Otherwise, they might have willingly given us the rights to bases, as I have mentioned. I am not unmindful, too, of many British mistakes in her history which have disturbed the American people.

But these facts fade in importance when we consider the terrible political crisis in which western civilization finds itself, a civilization based upon freedom of the individual, free enterprise, and the capitalist system.

These facts also fade when we consider the able defense which Britain has historically made of the traditions of freedom against tyranny. That defense is once more urgently needed, since forces of Communist dictatorship are sweeping across Europe.

We all know how the British people stood up to the blitz, how they lost 4,000,000 homes, and of the other terrific sacrifices they made during the war. But a few short months ago, our boys bled with English boys in Africa, on the beaches of Normandy, and on the approaches to the Rhine. Shall we part company now that the shooting is over? Peace is still far from won.

Britain imposed on her citizens a rigid system of rationing which is still in effect. In many ways she did a better job of war financing than we have done. We know, however, that she incurred \$12,000,000,000 in foreign obligations in order to finance the war and that she had to sell \$4,500,000,000 of her foreign investments. Britain, it should be noted, practically did not know black markets and tax evasions. She showed a capacity for government and a success in "seeing it through" that should not be discounted. Her people have character and capacity.

Character and capacity for what? She is the mother of parliaments, the mother of the common law, the mother of the commercial idea of the inviolability of a contract. From her vitals came the Magna Carta, and she sired the men who, when transplanted to this continent, carried the light into the Declaration of Independence and the Constitution of the United States and the Bill of Rights. Out of her spiritual loins came the freedoms of the press, of speech, of worship,

and trial by jury. Her government is a government of, by, and for the people.

Mr. President, I was against intervention when it meant war. I am in favor of this kind of intervention because I believe it will make for peace. There is a community of interest between our peoples which exists between no two other nations. I do not speak of blood only. As we face the future full of problems it is obvious that if folks who are on the same political and spiritual wire do not pull together, then we can expect little or no progress toward world peace by greatly dissimilar nations.

In unity there is strength. It is our job to build for unity among all nations and to hold up the shining symbol of cooperation between the English-speaking countries. The world needs this—so much.

Dare we spurn the financial risk of making this loan, and in so doing risk the judgment of history that we abandoned western civilization to communism?

I think we dare not risk that judgment of history.

## 2. THE ECONOMIC REASON

The second reason which I have given for my support of the loan is that I believe it will help to restore economic health to world trade. Britain will then have the necessary dollar credit in this country with which to buy our goods and start the economic processes of trade.

With all of Europe devastated by war and much of Africa and Asia hungry for goods, it is vitally important that we start these economic currents moving.

We know that Britain in normal times is the best customer of 31 of the world's countries, and that in 1938, for example, she bought 17 percent of our exports and 40 percent of Canada's exports, greater percentages than were bought by any other nation. She and her Empire bought nearly half of our exports.

Let me emphasize that I have always believed that it is America's domestic market rather than our foreign market which must be our principal economic concern. Our domestic market is the greatest in the world, and I have always fought to keep it open primarily for our own producers. But I do not underestimate the vast importance of foreign trade to other nations and of our importation of goods which we do not produce here.

Under the loan agreement, Britain specifically undertakes to (a) abolish the "sterling-area dollar pool" and thus permit the free use of dollars held by countries in the "sterling bloc"; (b) to forego the maintenance of foreign-exchange controls and other discriminatory trade practices; (c) to cooperate with the United States in reducing world trade barriers generally.

If these steps are fulfilled, and I believe and hope that they will be, world trade and with it world peace will be greatly advanced.

Dare we risk the continuation of world trade barriers and with them bitter world distrust and rivalry? I think not. I think we must take the road which leads to healthy world trade and prosperity. In so doing, we will help to keep faith

with our children and our children's children. We will be looking to the future—carrying our best customer on credit for a term.

## 3. THE BROAD FINANCIAL REASON

The last reason which I have given for the loan is that I believe it will be repaid. The alternative would be for England to break faith with us. If this happens in this atomic age, Britain will be inviting disaster on western civilization.

It has, however, been reliably stated that with this loan, England will be able to get back on her feet and meet her future obligations. I believe so, too. Some folks have "counted Britain out" and have said that she is "done for."

I cannot subscribe to that view. When I remember Dunkerque, when I remember El Alamein and Waterloo and the days of the Spanish Armada, when battered Britain has snatched victory out of the jaws of defeat, I cannot "sell her short."

Now, as I see her girding her loins to rehabilitate herself, rebuilding her merchant marine, preparing to meet world competition in the air, when I see her whelps such as Canada rallying to her side with a \$1,250,000,000 loan, I do not fear that our loan will not be repaid.

Mr. President, I have been a small-town banker. I know that in considering any loan there are countless intangibles which must be borne in mind and which often outweigh in importance the mere asset and liability or profit and loss statements of a prospective borrower.

This is the case of this proposed British loan, I believe. There are intangible factors—spiritual factors of the meaning of this loan to the democratic world—which will help insure the loan's repayment. I know that, as a banker, often one loan can make a life and death difference for a town, or a community, so also with a nation, or a group of nations.

I remember in the early thirties when the holocaust of a world depression was paralyzing our economic structure, banks were failing. In my home town there were three banks. One closed its doors. I took a plane to Washington to plead for a loan for the second bank. Things proved so difficult that I plainly had to tell a former Senator, who was then in the RFC, that he had no appreciation of the hinterland and its folks and problems. It was tough going for a while, but my plea was answered and the loan was granted.

The loan made it possible for the second bank to remain open. This resulted in stabilizing the economic life of that community. Ultimately everything worked out well. The Government got its money back. There was no run on the bank, no closing of the doors, no pain and suffering among the people. Economic health came back.

From a lender's viewpoint, perhaps it was not a good commercial loan. But from every other viewpoint, it was a good loan. It panned out all right; it saved suffering and loss. The bank's assets were generally sound, but they had depreciated because of the disease known as the great depression.



This British loan is, I believe, somewhat analogous to the small-town loan I have cited. And the prosperity of the whole community of nations may depend on this loan. The blood serum given to the individual soldier strengthens not only himself but the whole army and the Nation.

The British loan is a unique loan, different from all other loans, because Britain's central position in world trade is unique, because she is the world's largest importer, because other loans may be handled through the Export-Import Bank and the Bank for International Reconstruction and Development. This loan does not establish a precedent; it is in a class by itself. It assures the cooperation of Britain in Bretton Woods, and in the International Bank and International Fund.

No one need point out to me the need for husbanding America's resources. In my 7 years in the Senate I have yielded to no man in my firm desire to conserve, to protect, to save America's material and spiritual values. I believe my present position is consistent with my record, because, in a larger sense, I am seeking to preserve for my beloved America the chance for world trade and world peace.

Mr. President, we have entered into this loan with our eyes open. I believe that our negotiators were wise in making the loan flexible and in recognizing the imponderables of the future which may in any 1 year prevent the payment of interest. There is no deception in the language. Britain may get quickly back on her feet. We have seen how in the past nations which have almost been on the rocks have made rapid recoveries. That is my hope for the future in the case of Britain and all other nations.

But if it should happen that Britain cannot come back to economic health, the loan does not hood-wink us into believing that she will be able to make the payments regardless of her and world economic conditions. It will be borne in mind that argument has been made that for the immediate future the facts indicate a very speedy recovery. I cannot draw from that the conclusion that the future will be darker.

#### CONCLUSIONS

Mr. President, I conclude as I began: It is to the enlightened self-interest of our country to ratify this loan. It is to our political interest, our economic interest, our broad financial interest.

The eyes of the world are upon us, the eyes of history, and the eyes of our war dead.

This loan is far from a perfect loan; it is indeed very imperfect. I wish that we might have secured collateral for it. I wish that it might be temporarily suspended until we could get from our brother Senators at the Paris Peace Conference a report on the actual status of world affairs.

But we have been asked to act now, and I, for one, with some reluctance, but with faith, am willing to meet this issue squarely, however unpopular may be my stand in some quarters.

I have squared my stand with my conscience, with my deepest convictions, and

I have not found my position wanting. And so I take my stand for the British loan.

#### EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations in the Regular Corps of the United States Public Health Service, which was referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. WHITE. I ask that the postmaster nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. WHITE. I ask unanimous consent that the President be immediately notified of the confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

#### RECESS

Mr. WHITE. As in legislative session, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 3 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, to Thursday, May 9, 1946, at 11 o'clock a. m.

#### NOMINATIONS

Executive nominations received by the Senate May 8 (legislative day of March 5), 1946:

##### UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the United States Public Health Service:

TO BE SENIOR ASSISTANT ENGINEER, EFFECTIVE DATE OF OATH OF OFFICE

Russell W. Hart

SENIOR SURGEONS TO BE MEDICAL DIRECTORS, EFFECTIVE DATES INDICATED

William Y. Hollingsworth, May 24, 1946.  
Leo W. Tucker, June 15, 1946.

SENIOR DENTAL SURGEONS TO BE DENTAL DIRECTORS, EFFECTIVE DATES INDICATED

William T. Wright, Jr., April 1, 1946.  
Frank C. Cady, May 13, 1946.

ASSISTANT SANITARY ENGINEER TO BE SENIOR ASSISTANT SANITARY ENGINEER, EFFECTIVE DATE INDICATED

Harvey F. Ludwig, November 25, 1945.

SENIOR ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS

Frederick H. Hull  
Ralph Porges  
James L. Southworth

ASSISTANT SURGEON TO BE TEMPORARY SENIOR ASSISTANT SURGEON

Arthur M. Pettler

#### CONFIRMATIONS

Executive nominations confirmed by the Senate May 8 (legislative day of March 5), 1946:

##### POSTMASTERS

###### ALABAMA

Ruth Camp McCarter, Malone.  
William H. McDonough, Whistler.

###### ARKANSAS

Finis F. Wood, Pea Ridge.  
Jerry Bassett, Walnut Ridge.

###### GEORGIA

Clem Holland, Resaca.

###### MICHIGAN

Claude L. Bauman, Shingleton.

###### MINNESOTA

Percy B. Boyer, Beltrami.

###### NORTH CAROLINA

Lawson J. McCombs, Faith.

###### NORTH DAKOTA

Walter F. Sheldon, Napoleon.

###### PENNSYLVANIA

Anthony P. Pelino, Lewis Run.

###### UTAH

Edwin F. Marchetti, Helper.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 8, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, we are again approaching Thy throne through the old and familiar way of prayer which is always open to those who come with a humble spirit and a contrite heart.

Thou knowest that we have many needs. Quiet our restless hearts with the strengthening ministries of Thy love and quicken our perplexed minds with the gracious revelations of Thy truth. Make us more receptive to hear and more responsive to heed Thy voice. Transform our reluctance and indifference into a glad obedience to what Thou dost desire and command.

Grant that it may be our purpose and joy to have a larger part in ministering unto those who are finding the struggle of life so difficult. Make us mindful of one another that in our common remembrance we may bear one another's burdens and so fulfill the law of Christ.

To Thy name we ascribe the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

## EXTENSION OF REMARKS

Mr. ELLIOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial which appeared in the Los Angeles Times, The Central Valley Misrepresented.

## THE COAL STRIKE

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, I join this afternoon with many others who have spoken in the well of the House. I am wondering why this Congress cannot stay in session day and night until we pass a law with teeth in it which will have some effect upon the strikes that are facing this Nation at this time. Our boys have just won a great war. They come home to find something here more fearful than our enemy. We are destroying, little by little, the American right of the people who have made this country great when we permit men like John L. Lewis to continue to dominate. I believe this Congress certainly could write some kind of law that would put a stop to the kind of tactics being used by John L. Lewis and others of like nature.

The SPEAKER. The time of the gentleman from California has expired.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, the people in my district are very much concerned about the present coal strike. After 38 days it seems to be no nearer settlement than it was the day it started.

I have always been a great believer in voluntary arbitration. In order to carry on collective bargaining successfully, it is necessary that the parties involved be sincere in their purpose. It is essential that the demands on both sides be fair and reasonable. It is contended that Lewis' demands are unreasonable and he is unyielding. As a result coal production is cut off and thousands of plants are shutting down throwing millions into unemployment.

The question now resolves itself: Is our present system of settling disputes between labor and management doing the job?

Is it necessary for us to resort to compulsory arbitration? Is it necessary for the Government to take over the mines? I believe that public opinion and the country as a whole would support the President if he took them over at once.

In the fact of this crisis one of my constituents raised the question: Where do we go from here?

## PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. VOORHIS of California addressed the House. His remarks appear in the Appendix.]

## PERMISSION TO ADDRESS THE HOUSE

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include in my remarks an article by Matthew Ramage of this city, and also a poem by Robert Baker, a Member of the Fifty-eighth Congress.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. GALLAGHER addressed the House. His remarks appear in the Appendix.]

## THE COAL STRIKE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, I appreciate what the gentleman from California [Mr. VOORHIS] said a moment ago. I rise simply to call attention to the fact that, in my opinion, if we had accepted the Voorhis substitute, offered at the time we were considering the so-called Case bill, and that should have been enacted into law, we would have very definite and effective procedure to deal with all industrial disputes. I am hopeful that legislation of that long-range nature can be enacted, and I think the Voorhis bill, if enacted, would have done the job not only in the coal strike but in any other industrial dispute.

The SPEAKER. The time of the gentleman from Tennessee has expired.

## MAINTAINING PEACE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DE LACY. Mr. Speaker, 1 year ago one of the most magnificent fighting machines ever assembled in the history of mankind, the Nazi Army, was compelled to lay down its arms in the field of battle. The combination that did that job comprehended the entire American people, the entire British people, the peoples in the resistance movements on the Continent, and the entire Russian people. In that solid coalition of arms on the battlefield and of home effort that job was done.

I hope today that those who would seek to promote division among the great powers that won the war will not succeed in destroying the peace.

The SPEAKER. The time of the gentleman from Washington has expired.

## PERMISSION TO ADDRESS THE HOUSE

Mr. ERVIN. Mr. Speaker, I ask unanimous consent to address the House for 1

minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

[Mr. ERVIN addressed the House. His remarks appear in the Appendix.]

## EXTENSION OF REMARKS

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD and include a copy of a speech delivered by him over Station WWDC in Washington Monday night on the question of national defense.

## SPECIAL ORDER GRANTED

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent that on Monday next, after the legislative business of the day and any special orders heretofore entered, I may address the House for 40 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, today we will have before us the Interior Department appropriation bill.

Unfortunately there is always a fight on that bill. I do not know why, when we appropriate for the development of our great western heritage, we have to wrangle just so much about what should be done and how in the way of developing that country. I am discouraged as I read the report on the bill which we are to take up for consideration today.

I want to remind you that men of vision in this country have led us in the direction of developing the great West and to remind you that such men as Theodore Roosevelt, after whom the first big dam in the State of Arizona is named, let in the reclamation program. He was accompanied in his efforts by such men as Gifford Pinchot, who saw that the forests of our country were being exploited and ought to be preserved. Those men and others laid the foundation of saving and improving the West and on that foundation such men as Franklin D. Roosevelt and other men with him have since builded. They builded better than we knew at first in having for our needs Bonneville Dam and Grand Coulee Dam to furnish power during this Second World War. What would we have done without them? The mighty West continuously developed on the plans blueprinted for us can mean more for the prosperity and safety of America in peace than it has meant even in war.

It is our task and duty now to see to it that we continue the policy and effort in



the direction of development already mapped out for us. This means not restriction as this bill I fear is about to do, but courageous forward moving in the interest of all the people.

The SPEAKER. The time of the gentleman from Arizona has expired.

#### EXTENSION OF REMARKS

Mr. MCGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Mount Vernon (Ohio) News.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances, in one to include a set of resolutions from the North Dakota Farm Bureau, and in the second an editorial from the Fargo Forum, of Fargo, N. Dak.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Evening World-Herald, of Omaha.

Mr. GAVIN asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an editorial entitled "Why Sympathy for Britain?"

Mr. HOPE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and to include a letter and an editorial.

Mr. REED of New York asked and was given permission to extend his own remarks in the Appendix of the RECORD in three separate instances, in one to include a speech, in the second an article, and in the third a statement.

#### SPECIAL ORDER GRANTED

Mr. HOPE. Mr. Speaker, I ask unanimous consent that I may address the House for 20 minutes tomorrow following the legislative business of the day and the other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

#### WHAT IS THE MATTER WITH AMERICA?

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, at times we all like to reminisce. Last evening as a light diversion I read many of the New Deal speeches when they assumed office in 1933. Peculiar as it may seem under the present conditions, these New Dealers promised "a more abundant life for all." I am certain you will remember the famous expression about one-third of our people being ill-housed, ill-fed, and ill-clothed. I am likewise certain you will recall the equally famous promise of "a more abundant life for all."

Mr. Speaker, that was 13 years ago.

Today I received an unusually remarkable letter from an outstanding and

learned lady from the little town of Tampico in my district. I wish that I had her permission to include that letter in this brief address.

Among other things, she asked:

What is the matter with America?

She stated:

My two sons have recently been discharged from the service of our country. They are unable to be properly housed. They are unable to purchase proper clothing. They are unable to purchase farm machinery to produce for a starving world.

She continued:

What about this more abundant life? We are unable to be better housed, better fed, better clothed. What is the trouble?

She wrote:

Yes; one emergency after another until today we are confronted with a national disaster. Strike after strike, public utilities under collapse, transportation and production at a standstill. Reconversion meaning naught.

She earnestly entreats:

Where is this more abundant life? What happened to the assurances of better housing, better feeding, and better clothing for our people?

Mr. Speaker, this administration will have to answer these questions to millions of our honest and patriotic people. It is now 1946. Do you not believe it is time to make those 1933 promises good?

#### PERMISSION TO ADDRESS THE HOUSE

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks by including a telegram I have received from the mayor of the city of Salina, Kans.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[Mr. CARLSON addressed the House. His remarks appear in the Appendix.]

#### PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to include in my remarks a booklet containing the names of organizations that have endorsed the amputee veterans' car plan.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

#### EXTENSION OF REMARKS

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include resolutions adopted unanimously at the annual stockholders meeting of the Manchester Dairy System, Manchester, N. H.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

#### EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include a statement by Roy C. McKenna, of Latrobe, Pa., on the subject In Defense of the Right To Own Private Property.

#### STRIKES

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, I hope the Judiciary Committee of the House and the House itself will remain in session during the week long enough to act favorably on the bill H. R. 6259, introduced by the gentleman from Virginia [Mr. ROBERTSON] to correct in part the present critical situation with reference to strikes. I want to read part of a letter I have today received from one of my fine constituents:

No doubt you have heard from others here of the terrible situation that exists in Chicago and Illinois on account of the coal shortage. I am giving the brief facts in our factory.

We are shutting down today, which will throw about 900 people out of work. We cannot operate on a 24-hour-per-week basis, as that means only 1 day of three shifts.

Our losses cannot be accurately estimated at this time, as the shut-down came so suddenly, but cannot be less than \$10,000 per day. Only those generating their own power can continue and then not for long on account of inability to get material.

The President and Congress seem to be asleep. Is Lewis to be allowed to start epidemics, which will surely follow the lack of coal for pumping water?

The majority of homes have electric refrigerators, and food will be spoiling soon if relief is not immediate. Two weeks' supply is all that is now available in Illinois. Money losses are now stupendous, but epidemics will kill more than war.

My appeal is for effective action by Congress without delay.

The SPEAKER. The time of the gentleman from Illinois has expired.

#### ANTILABOR?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to insert in the RECORD an editorial taken from this week's Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, because I have vigorously and persistently opposed practices and legislation tending toward the destruction of a man's right to earn a living without first paying money to some union, I have taken more than my share of abuse from labor politicians.

In truth and in fact, the legislation which I have advocated and supported

has been in the interests of the man who works rather than in the interests of either the employer or the union organizer or politician.

The coal strike is bringing home to many a union man the sad truth that it is necessary for all of us at some time to work if we would eat.

The morning paper tells us that 106,000 Ford employees were sent home because there was no coal, and a shortage of parts both brought about by unions other than the one to which the Ford workers belong. Sometime we will all realize that no one is completely independent. That when there is a strike which throws hundreds of thousands of men out of employment, others, who have no labor dispute with an employer, are deprived of their opportunity to make a livelihood.

Just how absurd are some of the union regulations is shown by an editorial in the Saturday Evening Post of May 11. It is as follows:

THE NONUNION HAIRCUT AND THE RIGHT TO WORK

Most American citizens have no chance to read or even know the existence of more than a few of the vast number of administrative rulings and decisions which are ground out tirelessly by the bureaucracy of the Federal Government and the 48 States. Those who do study such documents are able to understand that the basic assumptions under which we live are being changed, not by legislative bodies, where the talking is done, but by administrative agencies, which do the interpreting.

For example, a decision came down last year from the Pennsylvania Unemployment Compensation Board of Review having to do with an application for unemployment benefits by a man who had been discharged from his job for a breach of union rules which, under the maintenance-of-membership contract, made it obligatory for his employer to fire him. The man's crime was patronizing a nonunion barbershop. He had been repeatedly warned, had been summoned to a union hearing to defend himself and was finally discharged.

To us, the point of all this is that the case of a man who got his hair cut where he pleased could be tried, appealed, retried, and a decision rendered without anybody commenting on the extraordinary fact that in America a man can be denied the right to work for regarding a shave as a private matter. Not even the accused himself put the issue in that form. Instead he excused himself by explaining that the barber shop was owned by his father and that he had a skin eruption which made him diffident about going to a barber shop operated by strangers. Eventually his explanation was accepted and the man got his job back. The board solemnly stated that "in view of the claimant's skin disease, we believe his conduct in patronizing his father's barber shop was reasonable and that infraction of the union rules under such circumstances was not sufficient to provoke his dismissal."

It ought to be a matter of greater interest that through a series of administrative rulings, it has become law in the area affected by this case that a man may not work for his living in a union shop unless he gets a shave in a shop approved by the union. To be sure, no State or National legislature has passed a statute beginning: "Be it enacted that whoever shall receive or bargain to receive any haircut, shave, shine, shampoo, singe, hot-towel treatment, facial massage, manicure, or trim in any barber shop operating without a contract with a labor union shall be declared subhuman and debarred, excluded, removed, or ejected, whichever is

more painful, from any gainful employment." In fact, the run-of-mine Senator or Member of Congress would be mad as a wet hen if he knew that this was already an accepted principle of law. The issue before the compensation board was confined to whether or not a man discharged for patronizing the wrong barber shop could be described as unemployed "through no fault of his own," within the meaning of the statute. By a series of easy and seemingly inevitable steps, the right of a man to bargain collectively through representatives of his own choosing has "progressed" to the loss of his right to get a shave where he pleases.

We make no effort to point the moral. It is not that all administrative agencies are evil or that there is a plot to communize us from within. Perhaps the moral is simpler, and is to be found in the once general feeling that laws and the rulings which expound them make more sense when they rest firmly on some ascertainable principle rather than precariously on the relative potency of pressure groups.

Note the basic facts: A worker got a shave in a nonunion barber shop operated by his father. That was in violation of a rule of his union, which evidently provided that all members of his union could not be shaved unless they patronized a union shop. Being a member of the union which had a closed-shop contract, the employer was forced to fire him. When he applied to the State of Pennsylvania for unemployment compensation, the State held that because he had violated a union rule when he went to his dad to be shaved it could not pay him unemployment compensation. It finally relented and gave him compensation after he explained that the reason he had his dad shave him, instead of going to the union barber shop, was because he had a skin disease which might have made it embarrassing for the union shop had he patronized it.

Some union boys are going to be surprised if they wake up some morning and learn that they cannot shave themselves; that the union has passed a rule requiring them to go to a union barber, and a move on here in Washington to charge a dollar a shave may jar some of the boys.

The Supreme Court of the State of Oregon held that a widow operating a rooming house could be herself forced to join the union, and that her children, who were her only employees, could also, by means of a strike, be forced to join. Queer things are happening these days.

One company in Michigan was fined \$50,000 by a Government agency because it gave its employees an increase in wages without first asking a Government agency if it might do so.

To the union men I would say: Watch your step, your wife may have to join the union before she can get your breakfast. You may think that is silly, but just remember the case of the young fellow who had his dad shave him; of the widow who wanted to make the beds in a rooming house before she joined the union. Things are not always what they seem. Unions are necessary, but arbitrary, unreasonable, and destructive union practices are harmful to the rank and file of the union members.

The SPEAKER. The time of the gentleman from Michigan has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

[Mr. SAVAGE addressed the House. His remarks in the Appendix.]

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the Record and include a resolution adopted by Local Union 41 of the Progressive Mine Workers of America.

Mr. GRANGER asked and was given permission to extend his remarks in the Record and include a speech.

PAGEANT QUESTIONNAIRE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, all of us have received what is called a confidential congressional poll from the editor of the magazine called Pageant in which he asks each and every one of us to designate who is the weakest Member of the Senate and the House, who is the No. 1 demagog of the Senate and the House, who is the laziest man in the Senate and the House, which Senator is the champion social lion and which Member of the House has earned that distinction.

I feel that the editor of this magazine is worthy of the most condign criticism for asking us to point out such Members of the House and the Senate. If we do that we violate the rules of the House, especially when we thus disparage any Member of the other body. It is a violation of the rule of decency to ask any Member to make any such statement about any other Member of the House and the Senate. This editor offers to keep names of informers secret. What we do not dare openly we should not do in such a confidential or covert manner. The whole business smells. Answering the poll would violate the dignity of the House. It would be befouling one's own nest. There must be an esprit de corps that forbids. We suffer enough from abuse and ridicule—some deserved but much undeserved. We should not aid in the process of heaping obloquy upon ourselves.

Mr. RANKIN. Mr. Speaker, if the gentleman will yield, that is a Communist magazine. Its editors are Communists. Everyone knows that, with the probable exception of the gentleman from New York.

Mr. CELLER. Oh, I would not say that. Apparently, everything is communistic because the gentleman does not agree with it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I cannot yield further.

The SPEAKER. The time of the gentleman from New York has expired.



RETURNING OF THE REMAINS OF CERTAIN PERSONS WHO DIED AND ARE BURIED OUTSIDE OF THE CONTINENTAL LIMITS OF THE UNITED STATES

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3936) to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 4, strike out "repatriation" and insert "return."

Page 1, line 6, strike out "16, 1940" and insert "3, 1939."

Page 2, line 2, strike out "repatriation" and insert "return."

Page 2, line 3, strike out "repatriation" and insert "return."

Page 2, line 11, after "teries" insert "provided such remains are entitled to interment therein."

Page 2, line 12, strike out "16, 1940" and insert "3, 1939."

Page 3, line 5, strike out "repatriation" and insert "return."

Page 4, line 5, strike out "repatriation" and insert "return."

Amend the title so as to read: "An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. ARENDS. Mr. Speaker, reserving the right to object, may I ask the chairman of the Committee on Military Affairs to explain the amendments proposed by the Senate to the House bill?

Mr. MAY. Mr. Speaker, the House, in writing the bill in reference to the return of the bodies of our war dead, used the word "repatriation." The Senate changed the word "repatriation" to the word "return," which, I think, is a much better expression. Five of the Senate amendments are such as I have described, just the change of a word. When we fixed the date affecting those who were killed; we fixed it as of September 1940, and they set it back to September 1939; in other words, they set it back 1 year. That is the only other change.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and of course, I shall not object, this will permit the return to this country of the bodies of all the men buried overseas and whose relatives or members of whose immediate family request it; is that correct?

Mr. MAY. That is correct. The War Department has a list and has already communicated with practically everyone who has lost a relative, and in each instance it is the parents, first, brothers and sisters, second, and it goes all the way down to the guardian who may designate. The bill provides that they shall be buried in the cemetery of their

own selection, as well as requiring the War Department to take them to that cemetery. My interest in hurrying this measure to the President for approval is to enable the Army to start the return of these bodies as soon as possible before they become too badly deteriorated.

Mr. RANKIN. I thank the gentleman from Kentucky, and I congratulate him on bringing this measure to the floor of the House.

Mr. MAY. I thank the gentleman.

Mr. REED of New York. Reserving the right to object, Mr. Speaker, and I shall not object, this applies to soldiers killed and buried in any part of the world, does it not?

Mr. MAY. That is right; in all parts of the world. It also authorizes the appropriation of the necessary money to carry out the law and we were told by the Army witnesses that they have already arranged for the manufacture of metal caskets, hermetically sealed, so as to preserve the bodies in the best possible condition while in transit.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. THOMASON asked and was given permission to extend his remarks in the RECORD and include a statement by General Eisenhower.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include certain extraneous matter.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an article.

#### THE COAL STRIKE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Speaker, what is my responsibility in this coal-strike situation? A telephone call just came to me stating that the mayor of my city of 110,000 people will probably issue an emergency order tomorrow because of the coal shortage. Monday morning some 40,000 workers may be walking the streets. Again, what is my responsibility? What have I done to bring this about? Is it a walk-out or a lock-out? What can the Congress do about it? I ask the present administration in power to shoulder their responsibilities and defer action no longer.

#### NATION PROSPEROUS IN 1946

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, a few minutes ago my colleague from Illinois [Mr. ALLEN] made a statement in which he asserted that certain pledges made by the Democratic President who took office in 1933 had not been fulfilled; he said that we have a shortage of food and goods and housing; that we have unemployment and strikes. Like other of his Republican colleagues, he is trying to belittle the tremendous accomplishments of these four Democratic administrations, and to create unfounded prejudices.

I am, of course, satisfied in my own mind that this material was supplied by the propaganda factory of the Republican National Committee and its affiliated big-business lobbies.

#### NO "HOOVERVILLES" IN 1946

Mr. Speaker, I am delighted that my colleague and friend has seen fit to offer a comparison with conditions in 1933.

It is true that in 1946 we have a housing shortage; we also have an acute shortage of "Hoovervilles." In 1933 there were millions of homeless migrants, camping in squalor and filth, because they had no money; but the kind of shelter for which now Americans search frantically was a glut on the market. People who desperately needed decent shelter had no money to pay for it.

#### IN 1933 THE PEOPLE STARVED IN PLENTY

We have a shortage of food today. In 1933 warehouses and granaries were groaning and bursting with food which people did not have the money to buy. Cotton was selling at 6 cents a pound, not 28½ cents; wheat was 29 cents and corn 21 cents a bushel and surpluses were piled high; cattle and hogs sold at \$3 a hundredweight when there was anybody to buy. The national income in 1932 was \$45,000,000,000—little more than a fourth of the estimated national income for 1946 under a Democratic administration. In 1933 the people cried for food; but they had been stripped of their wealth by 12 years of Republican misrule, and had no money to buy the bountiful supplies which existed.

We have a shortage of some consumers' goods today. The Nation's production of most lines of consumers' goods will, for the year 1946, be the greatest in all history; but still there are shortages, for the Nation is prosperous as it never was before, and goods cannot be made fast enough to supply the demand. In 1933 the largest companies staggered under the burden of enormous inventories which could not be moved. Huge firms whose soundness had never been questioned went under, submerged in the quicksands of bankruptcy or reorganization or merger under the crushing weight of stocks bought at the fools' prices of 1929 and which could be moved only at staggering losses.

#### EMPLOYMENT HIGHEST IN PEACE

We have some unemployment today in the midst of reconversion; and with the armed services discharging their forces almost as rapidly as they were

mobilized, there are estimated to be about two and one-half million employables not working; out of an estimated total labor force of around fifty-six millions, fifty-three and one-half millions are actually working—the most stupendous peacetime employment ever known. When President Roosevelt took office there were more than 18,000,000 wage earners idle, broke, hungry, and afraid, in a labor force of only about 43,000,000—more than a third of the potential workers were out of work. Factories were closed down; stores were shut up; empty buildings gaped in despair.

The gentleman has complained of strikes. Does he remember the strikes of the farmers against ruinous low prices, when milk trucks were stopped and dumped? Does he remember indignant farmers gathering ominously to keep the banks and insurance companies from foreclosing on some poor farmer's earthly possessions? Does he remember the mass lay-offs, when thousands and thousands of workers were fired without warning as a whole huge factory closed down?

GLAD TO COMPARE 1946 WITH 1933

Yes, Mr. Speaker, I am indeed glad that my colleague has seen fit to compare and contrast 1933 with 1946.

I am only surprised that the gentleman dares attempt a comparison. Does he think the memory of the American people is so short they cannot remember misery, fear, ruin, cold, and hunger under the last Republican administration? They remember when banks were closed, or on the brink of closing; railroads were insolvent; and women worked for 50 cents a day and men for \$1—if they could. President Roosevelt and the Democratic administrations, so often charged by the Republicans with being enemies of private enterprise, actually saved private enterprise.

In 1933 a deflation so severe it almost prostrated American business and industry and consumers was our great enemy.

In 1946 we face the specter of a terrible inflation which can only end in the same bust. The administration is doing its utmost to control prices and avoid that danger; yet my colleague, and most other Republicans, while they say they do not want inflation, are doing everything they can to bring it on.

REPUBLICANS EMASCULATE LEGISLATION

If they had not emasculated the housing bill, and then passed it on to the other Chamber in an impotent form which can give little positive relief to the shortage if finally enacted, we might by now have a construction program under full steam which would satisfy the yearning of the American people, and especially of the returning servicemen, to have a home of their own at a price they can afford. With no ceilings on resale of houses, you need only read the daily papers to know what is going on. Houses built to sell at \$3,000, and worth perhaps \$6,000, are being advertised at \$14,000 and more. The Administration cannot act until it has a law to guide it.

If the Republicans—with, I confess, a little help from this side which probably is now regretted—had not torn the

very heart out of the price control bill; if they had not slashed the appropriations for the OPA; then there might not be some of the acute shortages created artificially by illegally diverting scarce materials to nonessential uses. That is an old trick—to cut an agency's funds, and then, having made it helpless, to complain of its inefficiency, so as to justify cutting the next appropriation to make it still more inefficient and helpless so as to complain more. I do not believe the American people are much fooled by these tactics.

Now, Mr. Speaker, to bring home facts to gentlemen of the House which should be known and considered when the OPA bill comes back from the other House, and the minimum wage bill is before us, I desire to include at this point a brief statement. I hope Members will keep in mind that more than a million dollars has been spent in the time of this session by vicious lobbies fighting progressive legislation, and the propaganda that money has made possible has unfortunately misled some Members. I hope that not only Members of the House but of the other Chamber will consider the facts in this statement and bear them in mind.

FACTS ABOUT PRICE CONTROL, PRODUCTION, AND SHORTAGES

JUST WHOM DO THE ENEMIES OF PRICE CONTROL SPEAK FOR?

Do they speak for our 35,000,000 American housewives? The Gallup poll of March 3 showed that 79 percent of American housewives want price control continued after June 30.

Do they speak for our 6,000,000 farm families? Polls have shown repeatedly that 69 to 74 percent of our farm families want price control continued.

Do they speak for the 15,000,000 families represented by organized labor? All of our labor organizations are on record as favoring continued price control. Polls show that better than 80 percent of manual and factory workers want the Price Control Act extended.

Do they speak for business? Fifty-four percent of our manufacturers, who produce 89 percent of our manufactured goods, say they want price control continued. Eighty percent of middle-class businessmen want price control continued. Dozens of business associations and leading business firms are running newspaper ads asking for the continuation of effective price control.

If the enemies of price control don't speak for housewives or farmers or workers or a majority of American businessmen, just whom do they speak for?

Obviously they must speak for a small group who think they can squeeze quick profits out of the American people if they can kill price control and let inflation take over.

This small group is trying to make the American people believe that price control interferes with production and causes shortages. Kill price control, they say, and production will go up and shortages will disappear. Let's look at their argument.

CIVILIAN PRODUCTION HAS REACHED AN ALL-TIME PEAK

Federal Reserve Board and Civilian Production Administration reports show that in mid-April—less than 9 months after VJ-day—civilian production was higher than ever before in our history. It was 69 percent higher than in our last prewar years, 1935-39, and rising. The only major brake on production is the management-labor dispute in the coal industry. This is only a hint of the

disputes that will most certainly arise if inflation gets loose.

In April 52,000,000 people were at work producing goods and services. That was more people than ever before worked and produced in peacetime.

IF CIVILIAN PRODUCTION IS HIGH, WHY DO WE HAVE SHORTAGES?

The answer to that is very clear. Today people want to buy more than they ever bought before. People are buying more than ever before. Right now retail sales are almost twice as high as in 1939. Retail sales have risen steadily ever since VJ-day. They are now 24 percent higher than in September 1945.

The simple fact is that spendable income of the average family is twice as big today as it was in 1939. With twice as much to spend, the average family naturally wants to buy more. In addition some families want to spend large parts of their wartime savings. Even when production gets twice as high as it was in 1939 we will still have what looks like shortages.

HOW CAN WE GET RID OF SHORTAGES?

There are two ways to do that:

1. The enemies of price control tell us to kill price control and let prices go up. If we did that production might spurt for a while. But at the same time, as prices rose people would have to buy less than they are buying now. They could spend all their money, but, with higher prices, they wouldn't get as much for it.

Then stores would have fewer customers than they have now. They would have to cut down their orders for goods. Soon factories would be laying people off because dealers were not ordering goods. Production would go down, not up. We would have fewer goods. But we would be rid of our shortages, because demand was down.

Sure, inflation followed by a depression would be one way to get rid of our shortages. Then we could all spend a lot of time hunting jobs and customers, and talking about overproduction like we did after the last war.

We could turn an economic somersault and trade a shortage of goods for a shortage of jobs and sales.

That is the way the enemies of price control want us to do it.

But there is a better way.

2. We can keep price control and hold prices at levels large numbers of people can pay. Then most families can buy large quantities of goods—and continue to buy them. The markets our businessmen serve will remain big and profits steady. Orders will flow to factories. More workers will have steady jobs and good incomes. Living standards will stay up.

That's the prosperous way to get rid of our shortages. It's the only way to do it if we don't want to put the American people through an inflationary wringer which will squeeze them dry and hang them out on the bread lines of unemployment and depression.

THE ISSUE IS CLEAR AND SIMPLE

We can get rid of shortages by letting prices go so high fewer and fewer people can buy. If we do it that way we will have inflation and depression.

Or we can get rid of shortages by keeping prices at levels most people can pay. That way there will be steady jobs. Living standards will be high. There will be customers for stores and profits for business.

Yes; you have been misled by those who like to see ceilings removed so they can make more and more profit as long as it lasts, and after that they do not care. You have seen what happens when controls are taken off of some products. In the case of citrus fruits prices shot up 50



to 100 percent or more. The same thing has happened to other short supply items when controls were removed.

#### NATIONAL CITY BANK REPORTS PROFITS

In conclusion, Mr. Speaker, I think a table from the May news letter of the National City Bank, of New York, show-

*Net income of leading corporations for the first quarter (net income is shown as reported—after depreciation, interest, taxes, and other charges and reserves, but before dividends; net worth includes book value of outstanding preferred and common stock and surplus accounts at beginning of each year)*

[In thousands of dollars]

Industrial group—	Number of companies	Net income first quarter—		Percent change <sup>1</sup>	Net worth Jan. 1—		Annual rate of return—	
		1945	1946		1945	1946	1945	1946
Food products.....	22	\$20,505	\$24,208	+16.1	\$731,431	\$734,294	Pd.	Pd.
Pulp and paper products.....	18	4,473	7,361	+64.6	272,735	284,484	11.4	13.2
Chemicals, drugs, etc.....	30	21,227	22,204	+4.1	1,788,325	1,835,734	6.6	10.3
Petroleum products.....	9	58,922	51,818	-12.1	2,571,630	2,723,450	11.5	15.7
Cement, glass, stone.....	15	9,297	6,007	-35.4	443,278	461,158	9.2	7.6
Iron and steel.....	22	29,973	19,855	-33.8	1,162,614	2,187,302	8.4	5.2
Electrical equipment.....	7	13,707	16,184	+17.3	417,832	445,159	5.1	2.5
Machinery.....	20	8,842	7,445	-15.7	357,959	362,489	9.9	-----
Automotive equipment.....	24	50,073	28,850	-42.4	1,678,970	751,471	11.9	-----
Other metal products.....	43	18,083	12,074	-33.2	828,577	840,232	8.7	5.7
Miscellaneous manufacturing.....	40	20,127	36,851	+83.1	196,881	649,053	13.5	22.7
Total manufacturing.....	250	295,529	175,059	-40.8	12,860,262	12,283,826	9.2	5.3
Mining and quarrying.....	21	11,195	9,247	-16.5	514,941	546,145	8.7	8.4
Trade (wholesale and retail).....	18	9,919	26,925	+170.0	722,839	543,007	7.6	19.8
Service.....	11	7,605	5,233	-31.2	171,272	174,002	8.4	12.0
Total.....	300	320,248	216,164	-32.4	14,059,314	14,448,180	9.1	6.0

<sup>1</sup> Increases or decreases of more than 100 percent not computed.

<sup>2</sup> Deficit.

<sup>3</sup> Before depletion charges in some cases.

WHILE WE ARE ASKED TO PROVIDE BILLIONS FOR THE EXTERIOR, LET US LOOK AFTER THE INTERIOR—INCLUDING THE NATCHEZ TRACE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, without being critical of the Committee on Appropriations, I desire to say that I regret very much to see some of the reductions made in this Interior Department appropriation bill. We hear so much about supplying money for the exterior, loans to be made to countries all over the earth, and expenditures to be made on foreign soil, that for my part I want to devote a good deal of attention now to building up our interior, improving our own country.

We have heard a good deal about the Alcan Highway, and about the highway down through Central America, yet years ago we provided for the Natchez Trace, extending from Nashville, Tenn., to Natchez, Miss., along the route covered by Andrew Jackson on his victorious march to New Orleans in 1814.

I regret very much to see the funds for this great highway cut down to where they will be inadequate, I am afraid, to carry on the work of completion of this great all-American highway.

While we are doing something for the exterior, for foreign countries, let us take care of the interior and do something for our own people.

ing the profits made by corporations during the first quarter of 1946 may cause some of the gentlemen who have attacked and assailed OPA and the administration to hang their heads in shame. It appears from this, private enterprise in America is doing all right.

Let us provide the funds to complete these great highways now.

The SPEAKER. The time of the gentleman from Mississippi has expired.

#### SECOND DEFICIENCY APPROPRIATION BILL, 1946—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; and in view of the fact that there is no difference of opinion on any item of the bill, I ask unanimous consent that the conference report be considered as read.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 10, 11, 14, 36, and 41.

That the House recede from its disagreement to the amendments of the Senate num-

bered 1, 3, 4, 5, 6, 7, 8, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 39, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, and 103, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$5,250"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$250,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$325,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$837,127"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$800,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 40, 46, and 62.

CLARENCE CANNON,

LOUIS LUDLOW,

EMMET O'NEAL,

LOUIS C. RABAUT,

JOHN TABER,

R. B. WIGGLESWORTH,

EVERETT M. DIRKSEN,

Managers on the Part of the House.

KENNETH MCKELLAR,

CARL HAYDEN,

M. E. TYDINGS,

RICHARD B. RUSSELL,

C. WAYLAND BROOKS,

STYLES BRIDGES,

CHAN GURNEY,

Managers on the Part of the Senate.

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 to 5, relating to the Senate: Appropriates an additional amount of \$269,000 for the fiscal year 1946, as proposed by the Senate, and strikes out an appropriation of

\$840.34, proposed by the Senate, for payment for services rendered in the office of a Senator.

Nos. 6 and 7, relating to the House of Representatives: Appropriates \$10,000 for payment to the widow of a deceased Representative, as proposed by the Senate, and appropriates \$15,000, as proposed by the Senate, instead of \$5,000, as proposed by the House, for reporting hearings.

No. 8: Appropriates \$20,000 for the Joint Committee on Reduction of Nonessential Federal Expenditures, as proposed by the Senate.

No. 10: Strikes out the appropriation of \$25,000, proposed by the Senate, for the erection of a statue of George Washington on the Capitol Grounds.

No. 11: Strikes out the appropriation of \$27,600, proposed by the Senate, for the Committee on Fair Employment Practice.

No. 12: Increases from \$20,000 to \$30,000 the limitation upon expenditures for printing and binding from the appropriation for salaries and expenses, Petroleum Administration for War, as proposed by the Senate.

No. 13: Increases by \$3,325,000 the limitation upon administrative expenses of the War Shipping Administration (revolving fund), as proposed by the Senate.

No. 14, relating to the Public Health Service: Appropriates \$748,000 for hospitals and medical care, as proposed by the House, instead of \$1,348,000, as proposed by the Senate.

Nos. 15 to 20, relating to the Federal Works Agency, Public Buildings Administration, appropriates for the return of departmental functions to the seat of government \$495,020, as proposed by the Senate, instead of \$200,000, as proposed by the House; appropriates an additional amount of \$1,780,000 for salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, 1946, as proposed by the Senate; appropriates an additional amount of \$950,000 for salaries and expenses, public buildings and grounds outside the District of Columbia, 1946, as proposed by the Senate; changes a title, as proposed by the Senate, and appropriates for damage claims, Public Roads Administration, \$780,379.53, as proposed by the Senate, instead of \$681,193.83, as proposed by the House.

No. 21: Increases by \$400,000 the funds currently available for salaries and expenses, Federal Housing Administration, 1946, as proposed by the Senate.

Nos. 22, 23, and 24: Appropriates additional amounts for salaries and expenses, 1946, for the Smithsonian Institution, \$18,000, and the National Gallery of Art, \$16,000, as proposed by the Senate.

No. 25: Increases by \$1,330,000 the limitation upon administrative expenses of the United States Maritime Commission, and by \$1,000 the limitation upon expenditures by such Commission for attendance at meetings, as proposed by the Senate.

Nos. 26 to 32, relating to the District of Columbia: Appropriates \$5,250 for the employment of nurses at Gallinger Municipal Hospital, instead of \$7,000, as proposed by the Senate, and appropriates additional amounts, fiscal year 1946, as proposed by the Senate, as follows: Capital outlay, Sewer Division, \$300,000; operating expenses, Water Division (payable from water fund), \$75,000, and Capital outlay, Water Division (payable from water fund), \$200,000.

Nos. 33 to 35, relating to the Department of Agriculture: Appropriates \$100,000 for insect and plant disease control, instead of \$20,000, as proposed by the House, and \$350,000, as proposed by the Senate; appropriates \$250,000 for national-forest protection and management, instead of \$168,000, as proposed by the House, and \$500,000, as proposed by the Senate, and appropriates \$325,000 for water facilities, arid and semiarid areas, instead of \$200,000, as proposed by the House, and \$500,000, as proposed by the Senate.

Nos. 36 to 39, relating to the Department of Commerce: Appropriates \$39,000 additional, fiscal year 1946, for general administration, Office of the Administrator of Civil Aeronautics, as proposed by the House, instead of \$59,000, as proposed by the Senate; appropriates an additional amount of \$837,127, fiscal year 1946, for maintenance and operation of air-navigation facilities, instead of \$749,655, as proposed by the House, and \$924,600, as proposed by the Senate; and appropriates an additional amount of \$800,000, fiscal year 1946, for salaries and expenses, Weather Bureau, including an additional \$5,000 for personal services in the District of Columbia, instead of \$535,000, as proposed by the House, and \$1,035,000, as proposed by the Senate.

Nos. 41 to 45 and 47 to 51, relating to the Department of the Interior: Strikes out the additional appropriation proposed by the Senate of \$14,000, fiscal year 1946, for salaries and expenses, Grazing Service; appropriates from project revenues, as proposed by the Senate, under "Irrigation and drainage, Bureau of Indian Affairs," \$52,200 for San Carlos Irrigation project, Gila River Reservation, Ariz., \$12,800 for Flathead Reservation, Mont., \$21,000 for Crow Reservation, Mont., and \$16,000 for Wapato Irrigation and drainage systems, and so forth, Yakima Reservation, Wash.; appropriates \$15,000 additional from tribal funds, fiscal year 1946, for expenses of tribal councils or committees thereof, as proposed by the Senate, instead of \$10,000, as proposed by the House; increases the 1946 amount limitation upon the amount available from power revenues for operation and maintenance of the power system, Rio Grande project, New Mexico-Texas, from \$80,700 to \$130,700, as proposed by the Senate; appropriates \$20,000 for maintenance of mammal and bird reservations, Fish and Wildlife Service, as proposed by the Senate; appropriates \$39,700 on account of the halibut allocation program, Fish and Wildlife Service, as proposed by the Senate, and appropriates an additional amount, fiscal year 1946, of \$14,000 for insane of Alaska, as proposed by the Senate.

No. 52: Appropriates an additional amount of \$250,000, fiscal year 1946, for salaries and expenses of district attorneys, and so forth, Department of Justice, as proposed by the Senate, instead of \$125,000, as proposed by the House.

Nos. 53 to 55, relating to the field service, Post Office Department: Appropriates \$27,500, fiscal year 1946, for personal or property-damage claims, as proposed by the Senate; appropriates an additional amount of \$487,000, fiscal year 1946, for unpaid money orders more than 1 year old, as proposed by the Senate, and strikes out, as proposed by the Senate, an appropriation of \$4,000, proposed by the House, for the settlement of a claim, which has been provided for in a separate enactment.

Nos. 56 to 61 and 63, relating to the Department of State: Appropriates an additional amount, fiscal year 1946, of \$200,000 for salaries, Office of the Secretary of State, as proposed by the Senate, instead of \$133,456, as proposed by the House; appropriates an additional amount of \$198,000, fiscal year 1946, for transportation, foreign service, as proposed by the Senate, instead of \$100,000, as proposed by the House; appropriates an additional amount of \$433,000, fiscal year 1946, for salaries of clerks, foreign service, as proposed by the Senate, instead of \$400,000, as proposed by the House; appropriates an additional amount of \$163,000, fiscal year 1946, for miscellaneous salaries and allowances, foreign service, as proposed by the Senate, instead of \$35,300, as proposed by the House; appropriates an additional amount of \$1,067,070, fiscal year 1946, for foreign service, auxiliary (emergency), as proposed by the Senate, instead of \$567,070, as proposed by the House; makes the appropriation "Emer-

gency service" available for the deportation of enemy aliens, as proposed by the Senate, and appropriates \$40,000 for the replacement of the Anthony Bridge over the Rio Grande within the Rio Grande canalization project, as proposed by the Senate.

Nos. 64 and 65, relating to the Treasury Department: Appropriates an additional amount of \$50,800, fiscal year 1946, for salaries and expenses, Bureau of Narcotics, as proposed by the Senate, and appropriates an additional amount of \$110,000, fiscal year 1946, for suppressing counterfeiting and other crimes, as proposed by the Senate, instead of \$50,000, as proposed by the House.

Nos. 66 to 68, relating to the War Department: Appropriates \$513,416.91 for damage claims, as proposed by the Senate, instead of \$429,805.41, as proposed by the House, and appropriates an additional amount of \$865,000, fiscal year 1946, for rivers and harbors, as proposed by the Senate.

Nos. 69 to 71, relating to the Judiciary: Appropriates an additional amount, fiscal year 1946, of \$7,500, under the "United States Supreme Court," for preparation of rules for civil procedure, as proposed by the Senate, and increases the amount of \$1,300 proposed by the House to \$5,400, as proposed by the Senate, for repairs and improvements, District Court of the United States for the District of Columbia, and provides that not more than \$3,600 of the amount proposed by the Senate shall be available for the provision of accommodations in the Municipal Court Building of the District of Columbia (civil branch) for activities of the District Court of the United States for the District of Columbia, as proposed by the Senate.

No. 72: Strikes out, as proposed by the Senate, title II of the bill, as passed by the House, appropriating for increased pay costs, in consequence of separate enactment of the provisions of such title subsequent to its passage by the House (Public Law 349, 79th Cong.).

Nos. 73 to 100, relating to judgments and authorized claims: Appropriates \$13,612,426.04, as proposed by the Senate, instead of \$11,416,526.59, as proposed by the House.

Nos. 101 to 103: Makes changes in title and section numbers, as proposed by the Senate.

#### AMENDMENTS IN DISAGREEMENT

No. 9, appropriating an additional amount of \$22,000, fiscal year 1946, under the "Architect of the Capitol," for the Senate Office Building.

It will be proposed to recede and concur with an amendment modifying the current appropriation for salaries, Office of the Architect of the Capitol.

No. 40, authorizing the transfer to the Weather Bureau of surplus War Department articles necessary for Arctic weather stations.

It will be proposed to recede and concur in such amendment.

No. 46, transferring War Relocation Authority buildings on the Colorado River and Gila River Indian Reservations for housing Indian veterans on the Colorado River, Pima, and Papago Indian Reservations, Ariz., to be paid for by such veterans at such prices and terms as the Secretary of the Interior may determine to be reasonable.

It will be proposed to recede and concur in such amendment.

No. 62, providing that Federal agencies, on a reimbursable basis, may render aid to the United Nations in the way of supplies, equipment, and services.

It will be proposed to recede and concur in such amendment, amended to read as follows: "Provided further, That until December 31, 1946, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies and equipment to the United Nations and,



when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

CLARENCE CANNON,  
LOUIS LUDLOW,  
EMMETT O'NEAL,  
LOUIS C. RABAUT,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
EVERETT M. DIRKSEN,

*Managers on the Part of the House.*

Mr. CANNON of Missouri. Mr. Speaker, there is complete agreement on this conference report, not only between the two Houses, but among all members of the conference committee, the managers on the part of the House, and the managers on the part of the Senate.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. What the gentleman says is correct—there is complete agreement on this report all the way through.

Mr. CANNON of Missouri. Accordingly, Mr. Speaker, we have brought back four minor amendments, purely in response to the parliamentary requirements under the rules of the House. They are technical amendments which cannot be included in the conference report and which require consideration here. On two of them, we propose to move to recede and concur, and on the remaining two we propose to move to recede and concur with amendments. The bill carries as we present it to the House in this report \$61,600,496.68. That is \$9,682,672.31 above the House bill as it went to the Senate. The Senate made additions to the bill of \$11,358,105.65, for most of which there was Budget support. Of the amount the Senate added, the Senate conferees receded on \$1,686,663.34.

May I say, Mr. Speaker, in response to the remarks of my distinguished friend, the gentleman from Mississippi [Mr. RANKIN] that the country is not in the financial position it was before the war. We are now in debt to such an extent that if the United States were a private business corporation it would be thrown into the hands of a receiver. The amount that we owe is such a large percentage of our actual assets that we are faced with the urgent necessity of retrenching expenditures if we maintain public credit.

Mr. Speaker, the dominant issue before the country today is how soon can we balance the budget. I am in accord with my good friend, the gentleman from Mississippi, on the importance of commemorating the glorious victory of 1814. But it is much more important that we maintain the financial integrity of the Nation in 1946. I trust the Members of the House will cooperate with the Committee on Appropriations in this program. We have a hard enough time among ourselves in agreeing upon these economies and in reaching agreement upon these reductions in Federal expenditures. When we present a report proposing to exercise some reasonable economy and pave the way to tax reduction, I trust it will have the support of the Members of the House.

Mr. Speaker, unless the gentleman from New York desires to speak or unless someone else wishes time, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 9: Page 4, line 3, insert the following:

"Senate Office Building: For an additional amount, fiscal year 1946, for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1946, \$22,000, to remain available until June 30, 1947."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate No. 9 and concur in the same with an amendment as follows:

"Before the period at the end of the matter inserted by said amendment, insert the following: 'Provided, That, effective May 1, 1946, the appropriation for salaries, Office of the Architect of the Capitol, contained in the Legislative Branch Appropriation Act, 1946, shall provide as follows: For the Architect of the Capitol, Assistant Architect of the Capitol (whose compensation shall be at the rate of \$7,000 per annum), Chief Architectural and Engineering Assistant, and other personal services at rates of pay provided by law; and the Assistant Architect of the Capitol shall act as Architect of the Capitol during the absence or disability of that official or whenever there is no Architect, and in case of the absence or disability of the Assistant Architect, the Chief Architectural and Engineering Assistant shall so act; \$66,700.'"

Mr. CANNON of Missouri. Mr. Speaker, this amendment as amended provides for certain changes in the Office of the Architect made necessary by the recent retirement of Mr. Horace D. Rouzer, who has served as Assistant Architect over a long period of years.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 40: Page 18, line 12, insert the following: "Provided, That in the conduct of meteorological investigations by the Weather Bureau in the Arctic region, the War Department is authorized in the fiscal year 1946, subject to the approval of the Director of the Bureau of the Budget, to transfer without charge to the Weather Bureau materials, equipment, and supplies, surplus to the needs of the War Department and necessary for the establishment, maintenance, and operation of Arctic weather stations."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment No. 40 and agree to the same.

This is an amendment in the interest of economy and is concurred in by all managers on the part of the House.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 46: Page 22, line 20, insert the following: "and there is transferred to the Bureau of Indian Affairs, without ex-

change of funds, such buildings constructed by the War Relocation Authority on the Colorado River and Gila River Indian Reservations as the Secretary of the Interior may determine to be necessary to provide suitable housing for Indian veterans on the Colorado River, Pima, and Papago Indian Reservations, Ariz.: Provided, That any building materials transferred to the Bureau of Indian Affairs under this authority shall be sold to Indian veterans at such prices and terms as the Secretary of the Interior may determine to be reasonable, and the amounts received shall be paid into the Treasury as miscellaneous receipts."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate, No. 46, and concur in the same.

The amendment is self-explanatory. The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 62: Page 36, line 7, insert the following: "Provided further, That until July 1, 1947, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies, equipment, and services, including personal services, to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment No. 62 and agree to the same with an amendment which I send to the desk.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate, No. 62, and agree to the same, with an amendment reading as follows:

"In lieu of the matter inserted by said amendment, insert the following: 'Provided further, That until December 31, 1946, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies and equipment to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization.'"

Mr. CANNON of Missouri. Mr. Speaker, the Senate amendment deals with the supply of both personal services and material. In the conference report we agree as to material but not as to personal services.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

## EXTENSION OF REMARKS

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances, in one to include a paper delivered by Federal Judge Moskowitz; and in the second, to include a letter I received from Edward J. Quigley, acting postmaster of Brooklyn.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein two splendid editorials, one entitled "The Grand Old Man," the other entitled "Record Is the Platform of the Democratic Party," relating to our distinguished colleague, the gentleman from North Carolina [Mr. Doughton], and which appeared recently in the News and Observer of Raleigh, N. C.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CHURCH asked and was given permission to revise and extend the remarks he made earlier today and include part of a letter.

## INTERIOR DEPARTMENT APPROPRIATION BILL, 1947

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

Pending that motion I ask unanimous consent that general debate on the bill continue throughout the day, the time to be equally divided between the gentleman from Ohio [Mr. Jones] and myself, and that the first paragraph of the bill be read before the Committee rises.

I understand, Mr. Speaker, this is agreeable to the gentleman from Ohio [Mr. Jones].

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6335, the Interior Department appropriation bill, 1947, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Oklahoma is recognized for 15 minutes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the Interior Department appropriation bill for the fiscal year 1947, which is now before you, has been by all odds the most difficult and in some respects controversial annual supply bill which has been reported out of the appropriations committee during my entire

service on that subcommittee, starting about a dozen years ago.

Before proceeding to a general discussion of the bill, I would like to say a few words concerning the members of the subcommittee who have given so generously of their time and worked long and arduous hours in committee hearings and in the marking up of the bill; hours which they could have spent advantageously working in their offices and in their own interest, rather than performing this rather thankless service, which, however, is a patriotic service for the country. I refer to the gentleman from Ohio [Mr. KIRWAN], the gentleman from Arkansas [Mr. NORRELL], the gentleman from New York [Mr. ROONEY], the gentleman from Ohio [Mr. JONES], the gentleman from Iowa [Mr. JENSEN], and the gentleman from Idaho [Mr. DWORSHAK]. In this connection, I want to express sincere regret that we are losing the services of the gentleman from New York [Mr. ROONEY], who has received a new subcommittee assignment. He is able, hard-working, and we have found that he gets to the bottom of things. He has been succeeded by another young, able, and highly capable member, the gentleman from Tennessee [Mr. GORE]. I feel that we have been particularly fortunate in securing such an able successor to the gentleman from New York.

Mr. TARVER. Mr. Chairman, will the gentleman yield for a moment?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Georgia.

Mr. TARVER. Mr. Chairman, before the gentleman leaves that portion of his remarks which has to do with the services of the subcommittee, I want to say to him as one member of the full Committee on Appropriations, not a member of his subcommittee, that I appreciate very deeply and I am sure that appreciation is shared by the entire membership of the House, the very capable and efficient service that the gentleman from Oklahoma [Mr. JOHNSON], has rendered for so many years in connection with the preparation of this bill. The country is to be congratulated upon the result of his efforts to effect economies and to handle in a wise way the many difficult problems that come within the jurisdiction of his subcommittee. I want him to know that I for one appreciate the success with which he has handled these many problems.

Mr. JOHNSON of Oklahoma. I thank the distinguished gentleman from Georgia, and I accept the compliment on the part of every member of the committee who worked equally as diligently and as capably as did the Committee Chairman.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from Kentucky, Chairman of the great Military Affairs Committee of the House.

Mr. MAY. Mr. Chairman, may I say to the gentleman from Oklahoma that I had no idea he was going to pay tribute to the other members of the committee. Of course, modesty forbids him saying anything about himself, but, being fully advised on the subject, I would like to say that for several years it has been a

matter of common knowledge around here that the gentleman from Oklahoma has been the champion of economy, particularly with reference to the appropriation bill that comes from the subcommittee of which he is chairman. I want to share in the expressions of appreciation for his fine services.

Mr. JOHNSON of Oklahoma. I thank the gentleman from Kentucky from the bottom of my heart for his very kind and generous statement which I freely confess is entirely too generous so far as I am concerned.

Before entering into a discussion of the bill permit me to say that Members of this House who availed themselves of the opportunity of visiting their districts during the brief Easter holiday recess, report almost without exception that they found their districts more economy-minded than ever. This week I returned from a brief trip to the Sixth Congressional District in Oklahoma, which I have had the honor to represent in Congress for the last 10 terms. In 9 days in the district I covered nine counties. I did not make a political speech while in the district but I did hold many conferences, political and otherwise, with various groups on numerous subjects affecting the welfare of the people whom I am endeavoring to represent. In every conference held by me with every group, whether they represented farmers, stockmen, businessmen, veterans, teachers, or others, without exception the question of economy was brought up. That the people are demanding and expecting rigid economy in Government, there cannot be the slightest doubt. Every group I met with made it plain they felt the time had come to cut and slash appropriations to the bone. I am confident that the Nation's taxpayers will approve that nearly 50 percent slash in appropriations for the Interior Department, a reduction which is unprecedented for any annual supply bill since the period of World War I.

Returning now to a discussion of the bill, Members may be interested to know that the hearings this year extended over a period of 6 weeks and that it required a full week to complete marking up the bill at the conclusion of the hearings. The hearings cover 2,600 printed pages. The primary reason for such extended hearings is, of course, due to the fact that the budget estimates provided for unprecedented increases in nearly every agency provided for in the bill. Also, inclusion of the controversial item for initiation of construction of power transmission facilities by the Southwestern Power Administration is responsible for a very substantial increase in the size of the hearings.

In view of the important and, in several instances, controversial items which we were required to pass upon, I believe that it is definitely to the credit of the subcommittee in charge that we have been able to reach an agreement on all items in the bill and that there was unanimous agreement on all items with two or possibly three exceptions.

It is with pride and pleasure that I am able to report to you that the time consumed in lengthy hearings was put to good use and that we are now pre-



senting to this House a bill with reductions in the budget estimates reaching the unprecedented total of nearly 50 percent. I am certain that our committee has established a record in savings greater than in any regular annual appropriation bill during my rather extended period of service in the Congress. If you will turn to page 3 of the committee report you will find a table giving the reductions recommended by the committee in the budget estimates, and it shows substantial cuts in every activity. In some cases the reductions are well in excess of 50 percent, but in others the cuts are not so great. I measure my words when I say that no agency is hurt or even crippled. It might be of special interest to give a statement of the totals in the bill as compared with budget estimates and last year's appropriations. Here they are:

The committee considered budget estimates totaling \$346,765,000.

The committee recommends appropriations totaling \$174,652,000.

The committee recommends reductions under the budget estimates totaling \$172,113,000.

The bill is \$24,200,000 less than all appropriations for the current fiscal year, including deficiency and supplemental appropriations.

In mentioning deficiency and supplemental appropriations, let me say at this point I have a definite feeling that Members of this House, and the country generally, are getting pretty well fed up with the practice of some agencies of Government persistently imposing upon the Appropriations Committee by rushing in to the Deficiency Committee for supplemental appropriations. Departments and agencies of Government got by with that undesirable practice too many times during the war, although the distinguished chairman of that great committee repeatedly warned certain agencies to live within their revenues. When they felt that their appropriations were cut too severely, the practice of too many agencies was to rush in at what we call the back door, or the Deficiency Committee on Appropriations, of which I have the honor to be a member, and plead that their activity was vitally connected with the war effort, and that the appropriation in question was of urgent necessity for the promotion of the war and the committee often would resolve any doubt in favor of the appropriation. As a consequence many of the departments and agencies abused the privilege until we saw appropriations mounting upon appropriations. As objectionable as the practice of rushing in for a lot of extra funds under the guise of national defense was during the war, it is especially repugnant and indefensible at this time. The time is at hand when Congress must tell the various agencies and departments of Government that, after weeks of hearings and careful and fair consideration, a committee recommends, and this House approves, an appropriation for an agency or activity that the agency in question must definitely understand once and for all that, whether it likes it or not, except for some unforeseen actual emergency, they must operate for the next fiscal year

for the amount provided in the regular bill and not get the idea there is an open season the year around for them to rush in the back door—the Deficiency Subcommittee—for additional appropriations with the excuse that they have suddenly discovered alleged emergencies.

Returning again to the discussion of the bill, the decrease of more than \$24,000,000 under 1946 appropriations is due to the committee's determination to reduce requests for funds to the minimum and to the further fact that the recent supplemental appropriation for reclamation construction amounting to more than \$80,000,000 for the current year, will, in large part, not be required at the present time due to restrictions in building caused by veterans' housing, and will continue available into the next fiscal year.

The unprecedented reduction of more than \$172,000,000 in the Budget estimates is also accounted for by the insistence on the part of the committee that demands for expansion in every activity in the Department be held down to the minimum, as well as to the recent restriction on building materials and supplies in order that priority may be given to veterans' housing. This order will undoubtedly result in the substantial slowing up of construction items in the bill. On examination of the Budget estimates during hearings on the bill we found that every bureau was asking for a substantial increase above what they had during the war. In many agencies the increase requested by the agency ran well in excess of 25 percent. Needless to say, we have eliminated a very substantial proportion of these increases and in some instances we have made reductions in existing personnel and activities.

If you will examine the hearings, you will note that time after time I asked the witness appearing for the agency if he had heard the war was over. The fact that many of the agencies in the Department were permitted to have a mushroom growth during the war seems to have spoiled them. Now, some of such agencies seem determined not only to maintain themselves at wartime levels but actually asked sizable increases over the amounts expended at the peak of the war.

To give you the over-all picture in man-years, let me point out that for the present year the total authorized employment for the entire Department is 37,131, and that for the next fiscal year the budget estimates propose an increase to 48,924, or 11,793 additional man-years. I am pleased to report, we have made reductions which will result in the denial of nearly all of these proposed increases.

I am sure it is the sentiment of Members of this House that the time has come for real economy in the expenditure of funds by the Interior Department. Merely because approval was given to substantial increases for several bureaus during the war who were actively engaged in work essential to the war effort is no reason or excuse for continuing those extra wartime activities. It was a source of surprise and discouragement, therefore, to be confronted this year with estimates which would continue many of

these national defense activities on a wartime basis. A little later in my remarks I shall refer to two or three bureaus in particular where this unjustifiable situation exists.

At this point it is only fair to Secretary Krug to say that these unprecedentedly large estimates were prepared under the direction of a certain former Secretary of the Interior. Only recently a new Secretary has taken office. Many of us are hopeful that the Department, under the dynamic leadership of Secretary Krug will be operated on a new basis and that inefficiency and extravagancy in some agencies will be replaced with economy and efficiency.

One of the outstanding examples of what I have heretofore referred to as requests for bigger and better appropriations is that for the Division of Geography which, prior to the war, was provided for at the annual rate of approximately \$8,000. The budget estimate for this activity, which has received greatly increased funds during the war period, was \$82,000. In reducing the amount in the bill to \$12,956, we are allowing a moderate increase over prewar appropriations.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 15 additional minutes.

May I stop here just long enough to say this: Several years ago a very able and bright young man came to Washington from a Midwest State. He did not have a job, so he called on a former Secretary of the Interior and evidently sold him on the idea that what he needed most was a new set-up called the Division of Geography. Incidentally, he pointed out that down in my State there was a town by the name of Okeene, which I may say is a very splendid town inhabited by a fine progressive God-fearing people. He had found a map, so he said, where the name was spelled O'Keene instead of Okeene. This well-meaning gentleman came before our committee after some 10 or 12 years as head of this Division and pointed out that during these years he had actually eliminated the apostrophe from the name of that Oklahoma town. If he has done anything else as far as my State is concerned, I have not been advised what it is. Again he evidently sold himself or his work to the Army during the war and managed to get himself 69 employees where he had had 3 before the war, and these employees were paid, of course, out of Army funds. But imagine our surprise when this bright energetic young gentleman came before the committee at this time in this post-war period when we are trying desperately to balance the Federal budget and asked us for \$82,000. He is getting \$12,956, which is more than he received in the pre-war days. The point I am trying to make here is that many departments of Government have not heard that the war is over. This committee is attempting to say to the various departments of government to get back somewhere near prewar levels.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I am glad to yield to the distinguished gentleman from California.

Mr. JOHNSON of California. In line with what the gentleman is saying, is the gentleman going to point out to the Members that there is inefficiency? If there is, I do not know about it, to be frank. Is there inefficiency in the handling of construction funds and in the building of dams, canals, and things of that kind? I would be interested in what the gentleman has to say with reference to that.

Mr. JOHNSON of Oklahoma. I will be glad to discuss that when I reach the Reclamation Service. But in answering the gentleman specifically, I would say as far as I know there has not been any inefficiency in the handling of funds for construction on the part of the Bureau of Reclamation. Under the fine leadership of the Commissioner of Reclamation, Hon. Harry Bashore, who recently retired, I am glad to say that the Reclamation Service has done a very good job in the construction of dams. But someone said long ago that Rome was not built in a day, and all of the many reclamation projects that we would like to construct at once cannot possibly be built in 1 year. I do not mean to leave the impression that I am not defending the position of the committee. The Reclamation Service now has, or had in January of this year, a backlog of \$135,000,000. Let me remind Members that the last deficiency bill that was passed by the Congress in 1945 carried an appropriation for the Reclamation Service totaling more than \$80,000,000. I insisted that they have every dollar of that so they could start up construction work as soon as possible. They still have that money. They have a tremendous backlog. I say to you, upon my reputation as a legislator, that although some projects may be slowed down a bit that in my judgment it is going to be difficult in some instances to spend all of the money in the next year that this committee is making available, which totals over \$200,000,000 including the \$135,000,000 backlog.

Mr. JOHNSON of California. I thank the gentleman for the statement that he has made. In my particular area, the Reclamation Service has built a great many different parts of the Central Valley project. I have always been of the impression, and I am glad the gentleman agrees with me, that they have handled their funds economically, efficiently, and capably.

Mr. JOHNSON of Oklahoma. May I say to the gentleman that so far as construction items are concerned they have done a fine job. There are some criticisms that can be leveled at the Reclamation Service. However, if the gentleman will read the report of the committee, he will find what they are. Their Information Service, for example, clearly needs a considerable overhauling, which we have attempted to do.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished Chairman of the Committee on Irrigation and Reclamation.

Mr. MURDOCK. It is not about irrigation that I want to speak now nor with reference to any other specific detail of the bill. I heard what the gentleman said a moment ago about now being the time to economize. But he did not stop there and place a period at the end of that thought. He said that now is the time to economize as we consider this bill for the Interior Department. Why begin to economize on this bill? Is it true that the House has already appropriated over \$8,000,000,000 and in so doing cut only \$180,000,000 below the Budget estimate prior to bringing this bill out? If so, this bill itself, cutting nearly \$180,000,000 below the Budget estimate is more cut than all the others together. Evidently we forgot to economize on previous bills and we are beginning now on the Interior Department bill, if my information is correct.

Mr. JOHNSON of Oklahoma. I cannot agree with the gentleman that other committees have not economized, and that this is the first step toward economy. But even if I did agree with him then this unprecedented cut could be justified. As I stated, I am a member of the Deficiency Appropriations Subcommittee and I have heretofore criticized some of the deficiency appropriations that have come to us, but that committee has consistently economized under the leadership of our able chairman, who for years has insisted that we economize in every way humanly possible.

No, this is not the first stroke of economy, even though, as I said, this committee has cut this supply bill deeper than any other annual supply bill since I have been a Member of Congress.

Mr. MURDOCK. Are my figures substantially correct in this gentleman's judgment?

Mr. JOHNSON of Oklahoma. I am not certain that I understood the gentleman's figures. This bill is cut \$172,000,000 below the Budget estimates.

Mr. MURDOCK. The other figure, however, is about right, that \$8,000,000,000 have been appropriated.

Mr. JOHNSON of Oklahoma. Does the gentleman refer to all previous appropriations?

Mr. MURDOCK. For the various appropriation bills which we have considered, and that amount is about \$180,000,000 below the Budget estimates. That is the comparison I was trying to make.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his valuable contribution which further emphasizes the drastic cuts made in this bill, all of which I freely admit.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished chairman of the Committee on Appropriations.

Mr. CANNON of Missouri. In response to the suggestion of the gentleman from Arizona, I would like to call attention to the fact that on some of the appropriation bills it is not possible to make these spectacular reductions, because we had not had these spectacular estimates. Take, for example, the Treasury and Post Office Departments. Those are matters in which salaries constitute the principal

appropriation, and they are fixed by law. It is impossible to reduce them below that amount. But, as the distinguished gentleman from Oklahoma [Mr. JOHNSON], chairman of the subcommittee, has well said, corresponding reductions have been in order. However, I want to compliment the gentleman from Oklahoma, and to say that, as far as I can recall, he has made the largest percentage reduction below the Budget estimate of any annual supply bill I have seen brought into the House since I have been a member of the Committee on Appropriations. The entire Committee on Appropriations compliments him on the splendid work he has done, and I am sure the membership of the House will approve.

Mr. JOHNSON of Oklahoma. Permit me to add that the distinguished chairman might have also pointed out that nearly \$5,000,000,000 of the \$8,000,000,000 referred to by the gentleman from Arizona [Mr. MURDOCK] was for the Veterans' Administration. I am sure the distinguished gentleman from Arizona would not be critical of the Congress because it has given the Veterans' Administration every dollar that General Bradley and his helpers said was needed. I assure him that I am not apologizing for having approved and voted for nearly \$5,000,000,000 for the Veterans' Administration, and if it take \$5,000,000,000 more to take care of our disabled veterans, their widows and dependents, I am sure a vast majority of the Members of this House would not hesitate to vote sufficient funds to do so.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MURDOCK. The gentleman is exactly correct. He and I are of the same mind with regard to these appropriations for veterans, but it is because of appropriations that would redound to the benefit of veterans contained in this bill that I am raising the question that I am, and I shall raise it a little later.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to my distinguished colleague, from Arkansas, a member of the committee.

Mr. NORRELL. The distinguished gentleman has answered the question that I was about to propound, but I wanted to ask what part of the cut could the gentleman from Arizona make in the appropriation. The \$5,000,000,000 for the veterans accounts for a great part of the appropriations which he says have not been decreased. May I say that the flood-control estimate was nothing like this. It was only about one-third. I am a member of that committee and I am interested in flood control. The committee cut flood control \$52,000,000, including cuts in my own district.

Mr. JOHNSON of Oklahoma. I thank the gentleman from Arkansas, a sincere and able member of this committee. I also congratulate the gentleman on his fine record for rigid economy. There is not a more economy-minded Member of Congress than the distinguished gentleman from Arkansas. It is true that he voted for cuts for projects in his own district, and when a man does that he cer-



tainly is sold on the need for real economy.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes; I yield to the distinguished gentleman from Utah.

Mr. GRANGER. It seems to me, Mr. Chairman, that every time we come to make appropriations which have to do with the farms of the country and with the development of our natural resources, then everybody gets busy and wants to balance the Budget. Invariably that happens. I congratulate the committee on the fine work it has done, but I think they have gone too far in making drastic reductions on items that I am quite sure the members of the committee were not familiar with. When we reduce and then on the other hand justify, the great appropriations we all run to cover. We talk about the veterans. Everybody is in favor of appropriations for the veterans, but this is a matter that does affect the veterans. This is a postwar program that was understood as such, recommended by the President, by the Bureau of the Budget, to meet an emergency that might come in the future, and this committee has gutted the whole program in my opinion.

It is always fitting that people stand up here and praise the committee, and it is not difficult to do when there is nothing in the bill which happens to affect the Member's district; and it is deserving and a fine thing that it is done. I am very much disappointed, however. I believe the committee has exercised good judgment in some matters and for that I respect them, but I think in this instance they have gone too far, and I believe that many of these items should and will be put back in the bill.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

I appreciate the gentleman's suggestion that it is difficult to vote for economy when the reduction affects one's own State or congressional district. I can well understand the gentleman's attitude. But frankly, I would rather be charged with cutting too deeply on the matter of appropriations than to be charged with being extravagant. I am not surprised at the criticism. In fact I realized full well that when we brought this bill here there would be criticism; but my hide is getting pretty tough. I do not object to the criticism; rather I welcome it. I know that when you cut a project in your colleague's own congressional district in which he is vitally interested, that you are getting on dangerous territory. One who objects to criticism, constructive or otherwise, should not set on the Committee on Appropriations, for he is certainly going to be criticized. I wish to say to the gentleman, however, in as kindly a manner as I know, that he is not the only Member of this House that has had his own project cut. For example, in the State of Oklahoma, a State which has only one reclamation project, the gentleman will find that project is cut as deeply as any other

reclamation project in the United States. I shall be surprised if we do not hear a protest from the Congressman from that district before the day is over. We do not have one yardstick for the gentleman's district and another for Oklahoma.

Mr. GRANGER. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. I yield to my distinguished and able friend from Utah.

Mr. GRANGER. I think that is true. I do not think the committee was partial at all. As I said a year ago, I do not think they used a hatchet then, they used a shotgun and hit everybody who was within range. That is true, but I still think a lot of the cuts are ill-advised.

In preparation for a thing like this I believe we ought to have started a long while ago when the House passed a bill reducing taxes by \$6,000,000,000, money that had already been collected. Then was the time to have been talking about balancing the budget and economy. There were only about 35 of us who voted against that indefensible bill.

Mr. JOHNSON of Oklahoma. That is a good speech and I hope it gets back to the gentleman's district. I also hope that more subcommittees will get out their shotguns as well as their hatchets in making future appropriations.

And now I want the gentleman to know that I was one of the 35 who voted with him to reduce the \$6,000,000,000 in taxes.

Mr. GRANGER. I know the gentleman did.

Mr. JOHNSON of Oklahoma. So I was for economy, then, too.

Mr. GRANGER. So was our distinguished chairman.

Mr. JOHNSON of Oklahoma. I thank the gentleman.

Now I am going to talk about another agency of the Department that I feel I ought to mention, and I hope it will not be taken in a personal way by any Member present, especially my good friends from the grazing States.

Mr. RIZLEY. Mr. Chairman, before the gentleman leaves this subject to get into another, will he yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from Oklahoma, who is rendering valuable service to the State and Nation.

Mr. RIZLEY. May I say that perhaps the country got somewhat of a new lease on life when it read the AP dispatches this morning to the effect that the Appropriations Committee had actually commenced to do something about balancing the budget and getting back to a peacetime basis. The thing that disturbs me, however, is not the fine work the gentleman's committee has done in this respect, but so many times I find that we are only doing a lot of shadow-boxing on bills of this kind. We go ahead and do our duty here in the House, as we have on some other appropriation bills; but what is going to happen when the horse trading starts over on the other side of the Capitol? Is the committee that has brought in this bill today, when the horse trading is through over there, going to stand pat, if we may use an expression that we use down in Oklahoma, when this thing comes back after confer-

ence, or are we just doing some shadow-boxing today for the benefit of the country? Are we actually going to keep this appropriation down or are we going to make a big showing over here? After they get through with it over there and it comes back, is the gentleman's committee going to say, "This is the bill that we passed. We know we can make these reductions; we have made them and we are going to stand pat on them?" Of course, I know all legislation is a matter of compromise. I do not mean we should not get together with the other body. Perhaps we should or should not do some of the things referred to by the gentleman from Utah [Mr. GRANGER]. But are we going to permit the other body to put them back in and make us the laughingstock of the country over here?

Mr. JOHNSON of Oklahoma. I might say to the gentleman, my able colleague from Oklahoma, that I endeavor to religiously observe the rules of this House and never talk about a certain body at the other end of the Capitol. Certainly I would not say anything that might be construed as a reflection on any Member of that distinguished body. But the gentleman has put his finger on a very important problem. I know the gentleman has raised the point in all sincerity and the only frank answer I can make to him is that you can only judge the future by the past. What has happened to the Interior Department appropriation bill in past years? It will be recalled that a year ago the Interior bill went from here to another body at the other end of the Capitol, where millions of dollars were added, or attempted to be added, to the bill. But I call attention to the fact that the House conferees stood their ground in a remarkable manner and the bill as finally enacted last year, except in a few instances, was virtually as it passed the House. I am sure the gentleman realizes that all legislation is a compromise. I am not saying to any Member here that when the bill goes to the other end of the Capitol that if the House conferees are shown that they have not given sufficient funds for any agency that we will still say that the bill must come back exactly as it passed the House. Of course, it will not come back exactly as it passed the House. I might add that it is my guess that it will not be returned from the other end of the Capitol with any drastic reductions. That is the most satisfactory answer I can give to the gentleman.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield again to the distinguished gentleman from Utah.

Mr. GRANGER. I was wondering if this drastic cut is not brought about by the fact that the other body does occasionally increase the recommendations of the House and if that does not influence our committee to cut to the bone with the thought that the Senate will increase them.

Mr. JOHNSON of Oklahoma. No. I think I can say to the gentleman that the members of this committee are sincere and the action of our committee is not based upon what another body may

or may not do. We listened for about 6 or 7 weeks during very arduous hearings to many, many witnesses. We had some 25 or 30 Members of Congress who appeared before the committee, and I might say that practically all of them requested increased appropriations. Then we gave the Department what we actually thought they were entitled to and what they could operate on. We do not pretend to be all wise or superhuman. But the committee feels that it knows more about the actual conditions after all these hearings than a committee that has only had short or superficial hearings.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. I might say to the gentleman that it appears to me that this terrific cut in appropriations, made at the expense of the people of the West, will go over to the other body at precisely the same time that that body has voted a loan to Great Britain of something over \$4,000,000,000.

Mr. JOHNSON of Oklahoma. I cannot see that the loan to Great Britain would enter into any discussion here. I may have something to say on that subject at a later time and the gentleman will well understand my position.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself an additional 10 minutes, because I think this is a matter in which a great many people are deeply interested.

I cannot admit, however, that this cut is being made at the expense of the people of the West. I live in the Middle West and am interested in the welfare of the people all over the country. I might say it is a cut at the expense of some bureaucrats who are on the pay roll out West and here in Washington who are rendering little actual service to the people of the West or to the Government of the United States. I repeat that this cut is not made at the expense of the people of the West.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Nebraska, and then I would prefer to finish what I have to say, and then I will yield when I get through to any and all if you stay long enough.

Mr. MILLER of Nebraska. As a member of the Committee on Irrigation and Reclamation, I have been somewhat concerned about the reduction of the funds to the Reclamation Bureau. We are interested in developing irrigation in 17 Western States. Does not the gentleman feel that the cuts made in the bill here might hold up or entirely eliminate further development of irrigation in the Western States?

Mr. JOHNSON of Oklahoma. Not at all. We are giving them a whale of a lot more than they had before the war. They have a sizeable carry-over. As I said a moment ago, they have \$135,000,000 now, or did have in January, and I measure my words when I say it is

doubtful that they can spend all the money we gave them. Is that not right?

Mr. MILLER of Nebraska. No; I think the gentleman is wrong.

Mr. JOHNSON of Oklahoma. Of course, I did not expect the gentleman to agree with me.

Mr. MILLER of Nebraska. There are new projects in Nebraska, for instance.

Mr. JOHNSON of Oklahoma. Oh, yes; there are many, many projects surveyed, not only in Nebraska but also in Oklahoma, that would be fine, but we cannot have them all at one time.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. Oh, yes; I yield.

Mr. MILLER of Nebraska. We are making surveys on the Niobrara River and the Loop River and the Platte River in Nebraska. Irrigation has not been developed out there, and I can see in this bill where that type of work will be held up and stopped, probably entirely.

Mr. JOHNSON of Oklahoma. Oh, no. I do not share the gentleman's fear that reclamation will stop where it is wanted and needed.

Mr. MILLER of Nebraska. I do not want to see that done, because if irrigation is developed it puts water on the land and returns millions of dollars to the taxpayers by reason of the development of irrigation projects.

Mr. JOHNSON of Oklahoma. They have been developed because this committee is irrigation and reclamation minded. I might remind him that there has been more progress in reclamation in the last 8 or 10 years than there had been in all of the previous 80 or 100 years. This committee has not been niggardly in the matter of reclamation projects.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. ELLIOTT. I want to compliment the chairman of this committee and the other members of his committee for the fine work they have done year after year in behalf of irrigation and reclamation. I want to say to the gentleman that I think part of our trouble has not been the fault of this committee. In my own congressional district in the State of California, in the Central Valley project, there has been a carry-over of funds, year after year, as much as \$10,000,000, and the fault is not the fault of the committee; it is the fault of the Bureau of Reclamation, Department of the Interior, for not spending the money that the committee has provided year after year, and that is why we are receiving the cuts, I believe, at the present time. Is that correct or not?

Mr. JOHNSON of Oklahoma. Yes. The gentleman has made a very fair statement. From time to time when we have made some cuts in appropriations for the Reclamation Service we have been told they were ruined, just absolutely ruined, yet, I think I can say almost without exception, they have not been able to spend all the money we have given them.

Mr. ELLIOTT. I appeared before the gentleman's committee time after time asking for sufficient funds to complete all

features of the Central Valley project of California, and at all times the committee has provided those funds but the Department of the Interior has failed to follow-up and spend them.

Mr. JOHNSON of Oklahoma. The gentleman is correct again, as he always is. We are always glad to have the gentleman appear before the committee because he always has valuable information.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. PHILLIPS. Along the same line as the question of the gentleman from California [Mr. ELLIOTT], I notice on page 19 of the committee report on the item having to do with the All-American Canal that that request was cut from \$5,500,000 to \$2,384,000, although in the same paragraph at the bottom of page 19 the committee itself mentions the urgent necessity for water in that area. There is nothing further in the report about it. I wonder if the chairman can enlighten me as to why, in view of the acuteness of the water situation there, the appropriation was still cut, because the chairman will remember, as he has been very much interested in this himself and very helpful in the past, that we have been trying to get this construction for something like 8 years.

Mr. JOHNSON of Oklahoma. I will say to the gentleman that his is not the only important project in the country. There are many of them. I said a moment ago that the committee was reclamation-minded. The committee is interested, and has gone a long way to make available needed appropriations. But I think the gentleman will find the appropriation given this year compares favorably with the appropriation in previous years.

I may say that the Clerk has just advised me that the unexpended balance on the Central Valley project is \$34,011,079, as of January 1, 1946.

Mr. PHILLIPS. Does that same sheet show anything for the All-American Canal as to the unexpended balance?

Mr. JOHNSON of Oklahoma. I would have to look it up, I can tell the gentleman in a moment. Here it is. The unexpended balance on the All-American Canal is \$3,558,817 as of January 1.

Mr. PHILLIPS. I thank the gentleman very much.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MILLER of Nebraska. On the Missouri River Basin development, I notice there has been a \$13,470,000 reduction. I wonder if there is some carry-over of the Missouri River Basin funds that required that reduction.

Mr. JOHNSON of Oklahoma. Yes; I am glad the gentleman has asked the question. There is a \$12,304,000 carry-over in the Missouri Basin, as of January 1.

Mr. MILLER of Nebraska. The gentleman knows that is a new project just coming in for a great deal of work and study. It is ready to move. It is a big project.



I also notice there is a reduction of \$481,000 on the Sidney (Nebr.)-Gering power line. I wonder if there is a reserve there that would hold up the development of that line. I know the farmers in western Nebraska, Colorado, and Wyoming are very eager to get some REA power, and they are looking forward to it. If this amount is to be taken out of the bill, then it seems certain they will not have any development of REA in that particular area.

Mr. JOHNSON of Oklahoma. I realize full well that the question of transmission lines is a very controversial one. If this committee had given the Department of the Interior all the transmission lines it asked for, we certainly could not have made any appreciable showing in the matter of economy as we have been able to do. The committee did not feel that the transmission line to which the gentleman refers is so urgent as to be justified at this time from this appropriation.

Mr. MILLER of Nebraska. It will be pretty hard to convince the farmers of western Nebraska that it is not needed.

Mr. JOHNSON of Oklahoma. The farmers may be right. They usually are. But if they are like Oklahoma farmers they will find a way to get funds through the Rural Electrification Administration.

Mr. MILLER of Nebraska. I might remind the gentleman that the farmers pay the money back with interest when it goes into this type of work.

Mr. JOHNSON of Oklahoma. That is true, but let me state to you that under the law the rural electrification people can build their own transmission lines. They can apply, as I stated a moment ago, to the Rural Electrification Administration in the Department of Agriculture. If they have a good case, they can get the money. It was only a few weeks ago that as a member of the Appropriations Committee I offered the amendment for an extra \$100,000,000 for the REA. There is not a man in the House of Representatives who has gone further for REA than have I. But to say that all transmission lines must be built by the Department of the Interior and handed over to the REA is a different thing altogether. Farmer members of the REA co-ops can build the transmission lines in the gentleman's State as they are doing in other States of the country. Of course, they will pay for these transmission lines. Farmers who want this service are anxious and willing to construct and pay for such lines, with interest at 2 percent. They are doing that in four different rural-electrification cooperatives in the district I represent in Congress.

Mr. MILLER of Nebraska. This will prevent the development of the REA in western Nebraska.

Mr. JOHNSON of Oklahoma. Well, I do not follow the gentleman. I cannot understand how it will bar farmers from western Nebraska. I say to you again, they can go down to the Department of Agriculture and see Mr. Wickard, the REA Administrator. They can get the money if they have a good project. If they do not have a good project, they are, of course, not entitled to it anyway.

Mr. MILLER of Nebraska. The gentleman knows the Government does not give the farmers these electrical transmission lines.

Mr. JOHNSON of Oklahoma. No; I did not intend to leave such an impression.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

Mr. JOHNSON of California. The gentleman mentioned that in the Central Valley fund there will be at the end of the fiscal year \$34,000,000.

Mr. JOHNSON of Oklahoma. I did not mean to say that would be left at the end of the year. There was that amount at the time they came before our committee.

Mr. JOHNSON of California. In any event, there will be a substantial sum left?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. JOHNSON of California. Is all that money earmarked for specific construction or may some of it be used for transmission lines, for instance?

Mr. JOHNSON of Oklahoma. I am of the opinion it is all earmarked. I am informed that in the last 3 years it has been earmarked.

Mr. JOHNSON of California. So if there is no provision in that item for transmission lines, all we can hope to get is what is in the bill, unless the bill is amended?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from California.

Mr. VOORHIS of California. There are two points that I would like to bring out. I must say I find myself in rather substantial agreement with the point of view expressed by the gentleman from Utah. It seems to me in the case of some of these functions of the Department of the Interior, the committee has been much too severe. We have a new Secretary of the Interior whom I think we all hope to see make a great success of his administration of that Department.

Mr. JOHNSON of Oklahoma. I agree with the gentleman that he is a dynamic, able man, and we want to help him.

Mr. VOORHIS of California. I know the gentleman does. In the case of the General Land Office, I believe the committee cut the General Land Office about \$125,000, which was not as severe as it cut some other agencies. But is it not true that at the moment and in the coming year the General Land Office will inevitably have a much heavier load of work than it has had for a long, long time?

Mr. JOHNSON of Oklahoma. That is correct, and they were given more money than they had last year, about \$90,000 more, if I remember correctly.

Mr. VOORHIS of California. I understood it was cut below the Budget estimate.

Mr. JOHNSON of Oklahoma. Yes; like all other items, it was cut below the budget, but I would remind the gentleman that these Budget estimates came here requesting three times as much for the Department of the Interior as they asked for a year ago, which is absolutely unreasonable, inexcusable, and indefensible.

Mr. VOORHIS of California. At the present time, however, the General Land Office is having to work its people overtime in order to get their work out. It seems to me it is to our interest to have that work done efficiently.

Mr. JOHNSON of Oklahoma. I agree and will add that I feel that it is doing its work efficiently at this time.

Mr. VOORHIS of California. I think it is, too, but I am afraid that the appropriation has been cut so severely that they cannot continue to do their work efficiently. The other point that I wanted to ask the gentleman about was on the same point that my colleague the gentleman from California just raised having to do with transmission lines.

The gentleman probably knows what my point of view is, namely, that we should allow for the construction of such transmission lines as are essential to the efficient operation and economical unity of projects where we have already expended millions of dollars in the development of hydroelectric power. I believe it is true that the committee, all through the bill, has restricted the possibility of the construction of such transmission lines. Is that not true?

Mr. JOHNSON of Oklahoma. I cannot agree with the gentleman. When they made a case, like Hungry Horse-Kerr Dam project, we have given them the money—every dollar they asked for. I could mention several others, including the Davis Dam project, Fort Peck project, and the Missouri Basin project.

Mr. VOORHIS of California. Does the gentleman contend that in California the transmission lines there are not an integral part of the effective operation of that project?

Mr. JOHNSON of Oklahoma. Some of them are and we have allowed some money for them, but when they come in here and ask for two transmission lines, double transmission lines to parallel and duplicate a private line, either constructed or under construction, I say to you that cannot be defended, from my point of view. That is one of the things that was requested in this item for transmission lines in the Central Valley that if allowed will ultimately run into many millions of dollars.

Mr. VOORHIS of California. In a place where a private line will itself build such a line unless we build, it is a part of the project.

Mr. JOHNSON of Oklahoma. Oh, they are even asking for lines not only where they say they will build them, but where they are in the process of building them and have already constructed lines. We had photographs showing that they are asking for a great transmission line within exactly the same area where a private line has been constructed and is now being operated.

Mr. VOORHIS of California. If the gentleman will bear with me a half minute more, I would like to say that my whole viewpoint is concerned that we should not construct, at great public expense, a huge generating system and dam, and then turn that power over immediately at the dam for distribution by private agencies.

Mr. JOHNSON of Oklahoma. I agree with the gentleman.

Mr. VOORHIS of California. And prevent the farmers and other people in our communities from getting the benefit of it.

Mr. JOHNSON of Oklahoma. I agree with the gentleman, and the committee is not doing that.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FERNANDEZ. The gentleman said, and I agree with the gentleman, that where communities want to build lines, they can borrow the money from the Department of Agriculture. But the gentleman recognizes that in many cases the electricity has to be carried 70 or 80 miles. They cannot borrow the money for that purpose. Their lines will be useless unless power can be carried to the point where it can be used.

Mr. JOHNSON of Oklahoma. I agree with the gentleman, and this committee has O. K'd and there have been built more than 2,700 miles of transmission lines in the Bonneville area alone and there are funds in this bill for additional lines there. For those who persist in saying that the committee is against the building of all transmission lines under any and all circumstances, they simply do not know the record.

Mr. FERNANDEZ. I will say to the gentleman the committee gave us some money to build some lines, and we appreciate it, but I wanted to clear the point.

Mr. JOHNSON of Oklahoma. I thank the gentleman. Now I wonder if I may be able to continue uninterrupted until I can finish?

Mr. GRANGER. Mr. Chairman, will the gentleman yield briefly first?

Mr. JOHNSON of Oklahoma. Yes; despite my request just made, I will again yield to the gentleman from Utah.

Mr. GRANGER. I wonder if the committee has ever taken time to break down this whole appropriation, to know how much of it is actually reimbursable?

Mr. JOHNSON of Oklahoma. Oh, yes. The committee has a great deal of information on that.

Mr. GRANGER. How much of this appropriation would actually be poured down a rat hole, so to speak?

Mr. JOHNSON of Oklahoma. Well, it is to be hoped that none of these funds will be poured down a rat hole. That is exactly what this committee is trying to prevent. In the Indian Service, for example, a great deal of it is supposed to be reimbursable. Some of it has not actually been reimbursable, but we thought it was for a good cause. It would be impossible to give the gentleman a figure that would be satisfactory. If the gentleman has reference to reclamation construction, of course, it is reimbursable. I have never charged that any such

projects were in the category of money being poured in a rat hole.

Mr. GRANGER. So, as a matter of fact, when we talk about these great reductions, it is only a matter of bookkeeping, after all? It is not a matter of economy.

Mr. JOHNSON of Oklahoma. No. I cannot agree with the gentleman. If the gentleman had gone through the bill, he would not make that statement. When we cut the Reclamation Service more than \$94,000,000, that is not a matter of bookkeeping. That is an actual cut. When we drastically reduced the Information Service, that overstuffed set-up will soon find it is not a mere bookkeeping reduction.

Mr. GRANGER. I do not think anybody would object to what the gentleman has just said; that is perfectly proper.

Mr. JOHNSON of Oklahoma. If the gentleman will turn to page 10 of the hearings he will find the information he wants as to where the revenues are coming from the Department of the Interior.

#### GRAZING SERVICE

Now, for a few minutes I wish to talk about something that the gentleman who has been interrogating me will be interested in, the Grazing Service.

The Grazing Service was established under what is known as the Taylor Grazing Act. Because of the admiration and affection that many of us had for the distinguished and lamented late chairman of the Appropriations Committee, Hon. Edward Taylor, of Colorado, and because we were convinced that there was need for some sort of service, this Congress passed the Taylor Grazing Act in 1934. It passed it after a certain former Secretary of the Interior appeared before committees in Congress and assured us that it could operate on \$150,000 a year and that it would be self-supporting. Over and over we were told that the Grazing Service would be self-supporting.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

The first year after the Congress had made an appropriation of \$150,000 as requested, there was expended for the service \$250,000. The Department did not live within the limits that this committee and the Congress had been promised faithfully it would take to operate the Grazing Service. This committee said then in the early stages of the Grazing Service that it must be self-supporting. But what did the Grazing Service do? They went out and practically turned it over to the big cowmen and the big sheepmen of the West. Why, they even put them on the pay roll, and they had meetings at 57 or 58 places.

Mr. GRANGER. Sixty.

Mr. JOHNSON of Oklahoma. I thank the gentleman for the correction. So it is 60. As usual I was a bit conservative in my statement. It set up some 60 sub-offices or subregional offices throughout the five grazing States. Then they had to have a lot of meetings and these big-shot cowmen and sheepmen would come and make speeches and have their ex-

penses of about five bucks a day paid by the Government. Anyhow, it is common knowledge that they practically have been running the Grazing Service. They did not choose to assess grazing fees that were anywhere comparable to the fees the other people pay.

Imagine our surprise to find them charging 1 cent for sheep per month and I believe 5 cents each for cattle. They have made a joke out of the Grazing Service. Well, what our committee complains about is, that up has gone the demand for appropriations year by year; and year by year the committee has said, "Get your house in order. Live within your income. Be self-supporting." But they have refused and failed to do so or to make any serious effort in that direction.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Sorry, not now.

Imagine our surprise when the Grazing Service came before the committee this year and asked for not \$150,000 according to the understanding made with the Congress when the bill was passed; not \$300,000, not \$900,000 or \$1,000,000, but more than \$1,700,000. They told this committee that was the least they could operate on efficiently during the next year. We asked the head of the Grazing Service: "What about your fees? Have you raised them yet?"

His answer was: "No; we have not raised them."

There were certain individuals who apparently had sufficient influence to prevent any effort along that line.

I will tell you what this committee did. It leaned backward to be fair to the Grazing Service and I am going into some detail about that because it is the thing some of these gentlemen are so strenuously objecting to. We are told today that this committee is going against the people of the West. Now, let us see about that.

The committee finally found out what they had raised in fees and we found that the share of the Federal Government amounted to \$425,000. Instead of eliminating all appropriations for the Grazing Service, as we were tempted to do, instead of giving them \$150,000 that we promised, we gave them \$425,000, the amount that they collected and which goes to the Federal Government, and we said to the Grazing Service: "Live up to your contract; live within your revenues," and by the eternals, they are going to do it whether they like it or not.

We have no apologies to make for having cut the Grazing Service back to where they should have been cut long ago. We hope that a year hence they will get their untidy, mismanaged and disorganized house in order. So much for the Grazing Service.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes—once again—I yield to the gentleman from Utah.

Mr. GRANGER. I want to say to the gentleman that is the thing I was talking about when I said I was sure that



the committee was not familiar with that part of the bill.

Mr. JOHNSON of Oklahoma. I think we are much more familiar with it than the gentleman knows. We are thoroughly familiar with it.

Mr. GRANGER. The statement the gentleman has just made fully convinces me he is not familiar with it.

Mr. JOHNSON of Oklahoma. All right. What are the facts? If I have misstated the facts in any way, take the microphone and give us the full facts.

Mr. GRANGER. In the first place, this is not and never was intended to be a program for a few big cattlemen.

Mr. JOHNSON of Oklahoma. That is true; it was not intended to be that way, but I am fearful that it has worked out that way.

Mr. GRANGER. It has not. As a matter of fact, there are 22,000 individuals, small operators, the majority of which operate less than 200 head of cattle or a comparable number of sheep—22,000 of them. There never was a time when this committee, or any other committee, made a bona fide agreement that there should never be any increase in appropriations.

Mr. JOHNSON of Oklahoma. I am afraid the gentleman has not read the record.

Mr. GRANGER. I know considerable about the record.

Mr. JOHNSON of Oklahoma. Does the gentleman deny that a former Secretary of the Interior promised the Congress to operate the Taylor Grazing Act on \$150,000 per year? Does the gentleman deny that statement? That was my statement No. 1. Is that not a matter of record?

Mr. GRANGER. I do not know.

Mr. JOHNSON of Oklahoma. I was afraid the gentleman did not know that part of the record.

Mr. GRANGER. I know that is the record, but the gentleman should know that the man of whom he is talking is about the only honest man there is in the United States.

Mr. JOHNSON of Oklahoma. Well, I have heard that the gentleman in question freely admits that he is honest.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. ROONEY. With regard to the statement of the gentleman from Utah a while ago, is it not the fact that there are a considerable number of large ranches interested in this Grazing Service and that according to the figures of the Grazing Service itself 75 percent of the stock on this public range is owned by 23 percent of the licensees or permittees?

Mr. JOHNSON of Oklahoma. That is the record. You cannot go behind the record. You can talk about how many people there are, but when you find that 75 percent of the cattle and sheep are owned by 23 percent of the people, that is the answer.

Mr. GRANGER. That is the very question at issue and that is the reason we had the Taylor Grazing Act passed. It was to protect 80 percent of the small

operators against these people the gentleman refers to. If you continue to do as you do in this bill, you will throw the whole thing over to these people you are talking about. That is the reason the bill was passed originally. It was not passed out of sympathy for Ed Taylor. It was passed because there had been a demand for the last 20 years that something be done to protect the small operator.

Mr. JOHNSON of Oklahoma. The gentleman evidently misunderstood me. I did not state that the Congress passed the act because of sympathy for anyone. But I repeat that because of the admiration and affection that members of this committee had for Ed Taylor, and because we were convinced of the need for such service, that the Congress passed the Taylor Grazing Act back in 1934. We have been sorely disappointed, and I might say that in my judgment Ed Taylor would turn over in his grave if he knew how this outfit had mismanaged the administration of the Taylor Grazing Act.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. TABER. I have been told that the fee that is paid for sheep is 1 cent per month and 5 cents for cattle.

Mr. JOHNSON of Oklahoma. I am ashamed to say that is true.

Mr. TABER. Is that anything like what it ought to be?

Mr. JOHNSON of Oklahoma. Oh, no; and let me say it is about one-fifth of the charge made by the Forest Service.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. BARRETT of Wyoming. In the first place, when the Taylor Act was passed, the preamble stated that among other reasons it was for the purpose of stabilizing the livestock industry.

Mr. JOHNSON of Oklahoma. That is right.

Mr. BARRETT of Wyoming. All right. Now then, what has happened to the livestock industry throughout this war? Our sheep population has gone down from 49,000,000 head of stock sheep in 1942 to 37,000,000 head today, the lowest since 1920. Furthermore, the records of the Tariff Commission show that during 1944 the sheepmen lost \$1.22 on every head of sheep and lost 10 cents a pound on every pound of wool they produced. I might say to the gentleman that the sheepmen are the main users of this grazing land.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes, if I have that much time left.

The CHAIRMAN. The gentleman having consumed 1 hour, it will require unanimous consent. Is there objection to the gentleman from Oklahoma proceeding for 10 additional minutes?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I have been very generous, I believe, in answering questions, and

therefore did not realize that I had consumed the entire hour. I think it is only fair to myself and to the committee I represent to continue for a few minutes longer because there are some other things, aside from the Grazing Service, that I would like to discuss, and I do not feel justified in again yielding until I have finished what I have to say. I realize some of you gentlemen are making some excellent speeches for the people at home, and I hope they all find their way back to your congressional districts.

Mr. BARRETT of Wyoming. Would the gentleman be interested in getting the facts before the House?

Mr. JOHNSON of Oklahoma. Now does the gentleman contend that I have not given the facts?

Mr. BARRETT of Wyoming. In some respects the whole facts have not been properly presented to this Committee.

Mr. JOHNSON of Oklahoma. Then I shall be glad for the gentleman to make another speech and give the full facts as he sees them.

Mr. BARRETT of Wyoming. Let me answer the gentleman.

Mr. JOHNSON of Oklahoma. Well, let us see. Fact No. 1 is that the Congress had an ironclad promise that the Grazing Service could and would operate on \$150,000 per year. Fact No. 2 is that that promise has not been kept.

Mr. BARRETT of Wyoming. Will the gentleman let me answer that point?

Mr. JOHNSON of Oklahoma. In a moment. Let us see about the facts. They have not kept faith with Congress. They have not functioned on \$150,000 per year. When the gentleman says that he is anxious to get all the facts before the House, it will take a lot of time to explain away facts Nos. 1 and 2. He has made some excellent stump speeches here. No doubt they will be fine for home consumption. That's all very fine, but what about the facts? If I have misstated or given the wrong inference to any fact, the gentleman will please say where it is.

Mr. BARRETT of Wyoming. All right. Let me answer the gentleman.

Mr. JOHNSON of Oklahoma. All right.

Mr. BARRETT of Wyoming. When the Taylor Act was passed some 10 years ago there were 72,000,000 acres then under the supervision of that agency. Now the Grazing Service is administering in its own right 142,000,000 acres. In addition to that they have been loaded up with some 20,000,000 additional acres controlled by other departments of the Government.

Mr. JOHNSON of Oklahoma. That is a good statement. Of course it does not change in the slightest degree fact No. 1 or fact No. 2 or any other statement made by me.

Mr. BARRETT of Wyoming. That is a fair statement, is it not?

Mr. JOHNSON of Oklahoma. Oh, yes. That is a fair statement. I am not objecting to the statement, but what connection does that have with facts No. 1 and No. 2? For the reason that the acreage has been increased the committee has been liberal in making past appropriations. Even now the committee

is giving nearly three times as much as the Grazing Service originally requested. But I say to you that this Grazing Service must be self-supporting. We have told them over and over and over again, and they do not believe we mean it. Does the gentleman condone 1 cent per month as being a fair grazing fee for sheep? Please answer yes or no.

Mr. BARRETT of Wyoming. I wish the gentleman would give me the time and opportunity to tell this committee why these fees are not out of line. In view of the difficult condition of the wool growers, I certainly do condone that fee.

Mr. JOHNSON of Oklahoma. Well, I do not see how the gentleman can condone or approve such a ridiculously low grazing fee, but maybe his answer will tickle the ears of his home folks.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. The gentleman will have plenty of time to make his speech afterward; I am sorry I cannot yield. I am going to talk about something else now.

#### INDIAN SERVICE

I want to make a brief reference to the operation of the Indian Service. Members know I have criticized the Indian Service in the past and will probably criticize it in the future. We had inefficiency, we had overlapping, we had about the worst department, except for the Grazing Service, of anything I know anything about, in the Indian Service up until about a year ago. However, I am glad to say we have a new Commissioner of Indian Affairs. He is a bright young lawyer, and I think he is trying to do the best he can for the Indian Service.

He came before the committee and said, "If you will permit us to make certain consolidations, we believe we can improve ourselves, make a more efficient set-up, and do it on less money." We told him we would let him make those consolidations, but we wanted not only consolidations in the appropriations in the bill but consolidations of their activities. The people living in the States having heavy Indian population would like to know that when their local Indian agent makes a decision it will not take several weeks or months to find out whether that is the final decision of the Indian Bureau. So I am glad to say the Indian Service is consolidating some 41 agencies into 5. They say they can improve their efficiency, and can do it more economically. We are giving them a chance to prove what they can do. Whether or not they will be able to do it is a matter of conjecture. I hope they will be able to improve the service and do it more economically.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Under the proposed reorganization, would they have sub-agencies around, or would the activities be centered in the five big regional offices?

Mr. JOHNSON of Oklahoma. We are told that hereafter most of the final decisions will be centered in the five big regional offices, but, of course, they will still

have their local Indian agencies. I may say that these regional offices will be located at Minneapolis, Billings, Portland, Phoenix, and Oklahoma City.

I now desire to make brief reference to the operation of the Indian Service in the Territory of Alaska. During the past summer members of the Subcommittee on Interior Department Appropriations made an inspection tour of Alaska. Because of the lack of time and the vast area to be covered the committee visited only some of the outstanding areas, or, perhaps, I should say a few of them, in Alaska. However, as a result of that inspection trip this committee has made some far-reaching changes in this bill with reference to the Territory. Since some members may not have read that part of the committee report relating to Alaska I will insert a portion of it in the Record at this point:

It is estimated that of the total number of inhabitants in Alaska about one-half or 32,000 are natives—Indians, Eskimos, and Aleuts. The Indian Bureau appropriation supports a program that provides medical care, dental care, hospitalization, and other treatment to substantially the entire native population. During a recent visit to Alaska by the subcommittee in charge of the bill it was learned that more than 4,000 cases of tuberculosis exist primarily among the natives in the Territory, a large percentage of which require hospitalization, and that less than 300 beds are available for the care of such persons. On its return to Washington the subcommittee recommended that every effort be exerted by the Department to secure surplus or abandoned army or naval hospitals in the area which would afford some relief and regrets that it is unable to report any definite accomplishment up to the present time. However, it is understood that one or more prospective locations have or soon will be declared surplus and the Indian Bureau has sent representatives to Alaska to investigate these possibilities with a view to including authorization for the transfer of essential properties to the Indian Bureau for use before this bill is finally enacted.

While in Alaska during the past summer the subcommittee in charge of the bill had the pleasure of meeting and observing the work of Mr. Don C. Foster, general superintendent of the Alaska Native Service, who has occupied the position for approximately 1 year. Mr. Foster also appeared before the subcommittee during recent hearings on the bill and gave valuable, first-hand information concerning the Alaska native service. He has impressed members on all occasions as being particularly well qualified to perform the duties of his office, that he is doing so in an exceptionally fine way, and members who know him have confidence that he will continue to reflect credit upon himself and the service.

Perhaps the most important change in the bill as it affects Alaska is that pertaining to the road and highway situation, and I should like to call your attention to the recommendations of the committee in that connection. Members of the committee who visited the Territory during the past summer spent a considerable portion of their time examining existing highways and areas where new roads were contemplated or under construction. I feel sure that every member in our group came away with the firm conviction that the most urgent need in Alaska is the development of new roads to open up areas where agriculture, mining, and other enterprises may be

undertaken. During hearings on the bill it was stated by Governor Gruening that the Territory has paid 25 percent of the cost of highway construction, including secondary roads, the remaining 75 percent having been provided by the Federal Government.

Assuming that the Governor's figures are accurate, the committee has inserted in the bill the sum of \$1,092,000 for surveys and for road construction, together with a provision requiring the Territory to cooperate on the above-mentioned basis, that is, the Territory will put up \$1 for every \$3 appropriated by the Federal Government. We feel that the construction of the proposed highways, and particularly the roadway to the splendid agricultural community of Homer on the Kenai Peninsula, which the committee visited, will open up new farming areas and be of real assistance in the development of the Territory.

I might add that members of the committee who visited Alaska were amazed to find that the fishing industry, for example, had taken out \$60,000,000 a year from the waters of Alaska and had actually returned to the Territory only about \$1,000,000 per year for the opportunity of doing so. We found that the mining industry had taken out of the mines of Alaska approximately \$380,000,000 in gold and returned very little to the Territory in the form of taxes for that right and privilege. We found that the fur industry in Alaska had made considerable sums for some men in the fur business and yet they have paid to the Territory of Alaska practically nothing in taxes. What this committee is saying to the Territory of Alaska, even though about 95 percent or possibly 98 percent of the land in Alaska is nontaxable, they do have much more wealth than many realize, and they must help pay for any future highway or road construction or improvements that they get in Alaska. We feel it is fair. We feel the provision in question will be a good thing for Alaska and for the country.

#### BUREAU OF RECLAMATION

The committee considered Budget estimates totaling \$166,894,000 for the Bureau of Reclamation and, in recommending \$72,271,000, has effected a reduction of \$94,622,000. This reduction is the most sizable cut we have made in the estimates. In making a reduction which might at first appear unduly severe and drastic I should like to call your attention to the fact that on January 1, 1946, there was an unexpended balance of \$135,376,000 available for the construction of reclamation projects. If the 1947 estimate of \$147,330,000 is added to that unexpended balance it will be seen that a total of \$282,000,000 would be available for reclamation construction during the 18-month period beginning January 1, 1946. This latter sum would provide funds at a rate far in excess of prewar appropriations and whatever justification may have existed for such a large Budget submission has been since eliminated by the recent order giving priority to veterans' housing insofar as the purchase of building materials and supplies is concerned. In view of this situation the committee called on the Com-



missioner of Reclamation to submit a revised construction program giving his best estimate of where savings approximating 50 percent could be made with the least hardship. The reductions in the construction items in the bill are made in accordance with the program outlined in the Commissioner's letter with two exceptions. You will find a break-down of the Budget estimates and the amounts recommended by the committee for each project set forth on page 17 of the report of the committee.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. The committee felt under the circumstances that we were rather liberal toward the Reclamation Service. I mentioned a while ago that one or two of the agencies of the Government had mushroomed during the war. I want to tell you about one of them.

#### GEOLOGICAL SURVEY

During the war period the Geological Survey devoted a very considerable portion of its time to the location of deposits of minerals and ores needed in connection with the war, and performed mapping and other work highly important to the war effort. Last year the committee called attention to the approaching end of hostilities and expressed the belief that substantial reductions should be made in several appropriations which had been inflated during the war period. It came as a real shock to the committee, therefore, to find that this agency had asked for and had actually convinced the Bureau of the Budget that a very substantial increase over and above wartime appropriations was justified. The Budget estimates presented to the committee totaled \$13,166,000 or about \$5,400,000 more than current appropriations. An even more striking example of skyrocketing appropriation requests can be given by calling attention to prewar appropriations for the Geological Survey which were slightly in excess of \$3,000,000 in the fiscal years 1939 and 1940. We have recommended reductions totaling \$5,172,000 in the estimates and are firmly opposed to an increase in the amounts recommended in the bill.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FERNANDEZ. Does not the gentleman think it would be proper to do all this work in peacetime? The gentleman does not think there is going to be another war now, does he?

Mr. JOHNSON of Oklahoma. I do not think there is any nation on the face of the earth that could start a war with this Nation now during the next several years. But, on the other hand, I agree with the gentleman that we are not going back to prewar appropriations so far as the Geological Survey or Bureau of Mines is concerned. Let me call the at-

tention of the gentleman to the fact that before the war the Bureau of Mines received about \$2,500,000 annually. Now they propose to increase the sum to \$20,000,000 for the fiscal year 1947. They had \$17,000,000 last year. The Geological Survey is not asking quite that much. We have only cut \$5,000,000 below the Budget estimate for the Geological Survey. We have been very liberal in this bill with the Geological Survey.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. KNUTSON. Information has come to me that the Geological Survey is drilling for water in competition with private drillers. What has been done about that?

Mr. JOHNSON of Oklahoma. I regret to say that the committee has also received several such reports so it must be true. The committee has called their attention to the fact more than once, that they were reported to be drilling for water for domestic use.

Time after time we have called their attention to the fact, but they have gone right ahead drilling water wells for domestic use. So we have placed a provision in this bill. It appears on page 51 of the bill, and it prohibits them from drilling wells for domestic use in the future. It reads as follows:

*Provided, That no part of the funds appropriated in this paragraph shall be used for the drilling of water wells for the purpose of supplying water for domestic use.*

Mr. KNUTSON. That is very commendable.

Mr. JOHNSON of Oklahoma. I do not believe anybody can say that it is the intent of Congress that the Geological Survey is to go into the business of drilling wells for domestic use, nor is it for military purposes now, or future.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HOOK. I did not know that the Bureau was operating along those lines, but I happen to come from a mining district where the mines have, through their operations, practically spoiled every domestic water supply. The local communities certainly cannot do it. I am happy to know that the Bureau had enough foresight to at least go in and try to help that out in some way. I certainly hope this limitation will not be put in this bill.

Mr. JOHNSON of Oklahoma. It is interesting to know somebody will defend that kind of work. I will say to the gentleman from Michigan that reports came to us, not only from his State but from several other States, protesting against this very thing.

Mr. HOOK. Well, I would not doubt that at all. I would like to know the source of it first, though.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MURDOCK. Did I understand the gentleman to say that the bill provides no drilling shall be done by the Geological Survey?

Mr. JOHNSON of Oklahoma. Oh, no. It does prohibit drilling for domestic

water, in competition with private well drillers. They are actually competing now with private water well drillers, according to reports.

Mr. KNUTSON. And doing it for nothing.

Mr. JOHNSON of Oklahoma. And doing it for nothing.

Mr. MURDOCK. I quite approve of that, but I want to make clear that the Geological Survey is making a study of underground water supplies, which are very essential in an arid country. If we do not have that investigation we are going to be lacking in scientific and necessary data at some future time.

#### NATIONAL PARK SERVICE

Mr. JOHNSON of Oklahoma. We now come to the National Park Service. Members know I have repeatedly commended the Park Service. While I have been critical of the Interior Department in the past, I want to commend the Park Service for doing a good job. They did a good job before the war, they did an excellent job during the war, and they are functioning well and efficiently at this time.

War conditions caused a greater reduction in the activities of the National Park Service than any other activity in the Department. Many parks and other areas were virtually placed in the hands of a caretaker, and appropriations and personnel were reduced to a minimum. Visitors in the park areas dropped from 21,000,000 in 1941 to a low of 7,000,000 in 1943. It is expected that the number of visitors in the 1946 travel season will equal or exceed the 1941 record. In recognition of this situation the committee has recommended some increases for personnel necessary to handle the additional visitors and to perform essential operation and maintenance work. For the first time in several years funds are being provided for construction of roads and trails and parkways, the sum of \$4,250,000 being included for roads and trail construction, and \$7,500,000 being recommended for continuation of construction of the Blue Ridge and Natchez Trace Parkways. A few minutes ago the distinguished gentleman from Mississippi criticized the committee rather severely for failure to give the full amount for the Natchez Trace Parkway. The committee did make a considerable cut in that item, as it has in practically every other item in the bill, but this committee has recommended \$3,000,000 for the Natchez Trace Parkway, which compares favorably with appropriations made before the war.

I wish to assure the gentleman from Mississippi and others that the committee has not discriminated against the Natchez Trace Parkway, and that the appropriation in the bill for this project is comparable to the appropriations provided for it when construction was in progress prior to the war.

#### FISH AND WILDLIFE SERVICE

Another agency of government that we have also commended is the Fish and Wildlife Service. In expressing our sincere regret for the retirement of Dr. Gabrielson who for many years has been Director of the Fish and Wildlife Service,

I am sure I am voicing the sentiment of every member of our committee. Dr. Gabrielson has raised the efficiency of the service to a high standard and increased the morale and spirit of the organization. The committee has been impressed with his great knowledge of things relating to his work and his enthusiasm for them, and regrets very much that he has decided to retire to private life. We wish for his able successor, Mr. A. M. Day continued success and a long tenure of useful service.

We have approved an appropriation of \$8,235,000 for the Fish and Wildlife Service, which is \$2,873,000 less than Budget estimates but considerably more than current year requirements. Most Members are interested in the item for Federal-aid in wildlife restoration. We have included \$2,000,000 for this purpose, which is \$1,000,000 more than was appropriated for the current year and \$1,000,000 less than the Budget estimate.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes, and I am really going to make every effort to close.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### SOUTHWESTERN POWER ADMINISTRATION

Mr. JOHNSON of Oklahoma. Next I come to the most controversial issue in the bill, the Southwestern Power Administration, in the southwestern part of the United States, including Oklahoma, Texas, Arkansas, part of Kansas, and, I believe, Missouri and Louisiana.

Mr. Douglas Wright, the very efficient and able Administrator for the Southwestern Power Administration, came before our committee and asked for \$23,323,000. He placed a map on the wall showing exactly what he wanted. The report of the project which he submitted to the committee showed that he proposed to embark on a \$200,000,000 power program. A part of his program the committee felt justified in starting; a part we felt was absolutely unjustified. If you will read our report you will find that we say so in no uncertain terms, that we say we do not propose to embark on a program that even approaches a \$200,000,000 mark. It is rumored that an amendment will be offered to restore the full \$23,323,000 or a substantial part of it. The committee has allowed \$3,198,000 for the construction program during the next fiscal year. We believe that we have provided the primary and essential requirements for the present as well as for the immediate future.

We have recommended the construction of transmission lines for three areas, one going to northeastern Oklahoma toward the Grand River Dam where eventually, no doubt, the two dams, Grand River Dam and Denison Dam, will be tied together as one integrated project; another goes to southwestern Oklahoma to the largest, or one of the largest rural electrification projects in the State where it was testified there has been an

actual shortage of power. In most of the other areas I do not think anyone can say seriously there is any now or has been a serious shortage of power or that there will be in the near future. Another line goes into northeastern Texas. It will assure the people of that area that never will there be a shortage of power or will the people be held at the mercy of any private utility. On the other hand, it refused to duplicate existing lines now owned and operated by private companies.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. JOHNSON of California. Even though there is a competitive situation between public power and private power, is it not frequently the case that reports and studies indicate that the public power system will be reimbursed dollar for dollar to the public? If that be true, what difference does it make if you appropriate these moneys? All you are doing is acting as a financial agent for the benefit of the public. Of course, the public will ultimately get that money back. There is the additional fact, too, which we have experienced out in California, that the mere threat of some public power to serve a certain area has always reduced the private power rates. That occurred in Los Angeles, it occurred in the Central Valley and that seems to be the experience everywhere.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. I may say to the gentleman that has already occurred in this area. The prices have been reduced to a considerable extent. As I stated a moment ago, the fact that the committee has allowed three lines is sufficient evidence that the committee feels a little competition in that area might be helpful to the public, especially in the matter of guaranteeing future rates. But when the gentleman says that all we are doing is to act as a financial agent, I cannot quite follow him. If the committee should approve \$200,000,000 to duplicate and parallel private lines in Oklahoma, Texas, Arkansas, and Louisiana, such action means that our real purpose is to take over all of the private utilities in the area. Maybe that is what some gentlemen desire, but that is not the view of a majority of our committee. This committee has provided for three lines, as I said, a big 132-kilovolt line from Denison Dam to Ada, Okla., and you will see in the report that this line will be continued to Markham's Ferry if and when the need is actually shown. But the committee was not convinced that there is any urgent need for building all the proposed lines, many of which would duplicate and parallel existing private lines.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. ROONEY. I wonder if the gentleman would qualify his statement by saying that a majority of the committee thought that way.

Mr. JOHNSON of Oklahoma. Yes, the majority of the committee felt that way about it. I want to make myself plain. This report, like some of the others, is not exactly as I would have written it. It was a compromise. It was the best compromise we could get. The gentleman from New York has at all times made his position clear.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. This record clearly shows that the Southwestern Power Administration does not intend to duplicate any lines, but it shows that the other lines refuse to cooperate with them to carry the load at reasonable prices until and unless this Congress shows that it is determined to see that the power is carried at a reasonable price, and when this Congress does that, those lines will cooperate with the Southwestern Power Administration, and there will be no duplicating lines built.

Mr. JOHNSON of Oklahoma. That is the gentleman's opinion.

Mr. FERNANDEZ. The record shows that.

Mr. JOHNSON of Oklahoma. The record is here, and the map is available. Both speak for themselves. No one can look at the map and then honestly say there have not been proposed any duplicating lines. My position favoring public power where it is actually needed or required is well known. My long fight for REA power projects is a matter of record. But I am unwilling to embark on a \$200,000,000 program that will result in putting all private companies out of business.

Mr. FERNANDEZ. The record shows why that proposal was made, and until this Congress says that it is willing to and proposes to duplicate lines, if necessary, there will be a stalemate.

Mr. JOHNSON of Oklahoma. I made a statement a moment ago that Denison Dam has already been largely responsible for a reduction in power rates. The people appreciate the fact that it has done so, and the fact that we are building three lines out of Denison is sufficient evidence that we do not propose to turn Denison Dam power over to the private companies.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Washington.

Mr. HORAN. To clear up a question in my mind, I should like to know the



voltage capacity of the existing lines that are mentioned in this controversy.

Mr. JOHNSON of Oklahoma. The line from the Denison Dam to Ada toward Markham's Ferry is a 132-kilovolt line, the same capacity that Mr. Douglas Wright, the Administrator of the Southwestern Power Administration, requested. He got the kind of line he wanted, although not as much as he requested. Another line is a 66-kilovolt line that he wanted constructed to southwestern Oklahoma to some REA co-ops. Again he got the size of line he requested, and the line which he is sending to Texas—it is not mentioned—so I assume that he can build any line of any size that he and my distinguished Speaker agree upon. Does that answer the gentleman's question?

Mr. HORAN. Yes.

Mr. JOHNSON of Oklahoma. I want to thank you patient interested listeners. I am afraid I have now consumed about 1½ hours. Let me say in closing that if you approve of what this committee has done, if you really believe the committee has attempted to give more than lip-service in this matter of economy, and its serious effort to balance the Federal Budget, I am going to ask you one thing. Regardless of which side of the aisle you may be on, I am going to ask you to come in here when the bill is being read and support this committee in its efforts to defeat all amendments. You can see by the many questions asked, and the criticisms leveled at the committee, that every Member who has a project affected is dissatisfied with the cuts made. They all say they want economy except when it hits their own pet project. They say we have cut too deeply. There are people in my State who are also disappointed. They, too, want economy, strict and rigid economy, unless, of course, it hits their project. From their viewpoint the bill is cut entirely too deep. Of course, a lot of these projects are desirable. We wish we had funds to give everybody the money they are asking, but the time has come, with a \$279,000,000 debt, that Congress must do something about it. I tell you, there is only one way to really economize and that is to cut and slash these appropriations. The taxpayers of the Nation are expecting Congress to cut appropriations, not next year, but now. Here is a real step in the right direction. If this House approves our action other committees will take courage to follow our example. I believe the House of Representatives will uphold our hands. If it fails to do so the sky will be the limit in future appropriations. We now leave the matter in your hands.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JONES. Mr. Chairman, I yield myself 10 minutes.

Mr. JONES. Mr. Chairman, at the outset I want to say that I intend to support this bill. It is the kind of bill I have hoped for, prayed for, and worked for ever since I have come to Congress, and particularly since I have been a member of the Committee on Appropriations. I do not mean by that that I support every item in the bill or approve of every item as written in the bill, but

by and large, as the chairman of the committee has told you, it is a compromise, and the over-all picture is so encouraging as far as the great need of the country is concerned in its fiscal and financial policy that I heartily support the entire bill. I will help the chairman and the other members of the subcommittee defend it to the best of my ability.

In the next place, I am proud of the record the subcommittee made in the some three-thousand-odd pages of hearings. I am proud because every page of it is a disclosure of information that the Congress ought to know about a great bureau of Government. I think you will find every member of the subcommittee has become acquainted with the items in the bill to the extent that he has been able to match wits with the witnesses for the Interior Department.

In connection with the over-all appropriation, you will note on page 60 of the report that the original Budget estimates for the Interior Department for the fiscal year 1947 are \$346,765,830. The committee allows and reports in this bill now before you for consideration \$174,652,579, which is 50.3 percent of the entire Budget estimate. Just think of the salutary departure this committee has made. If every committee of Congress had followed this precedent of this subcommittee handling Department of Interior appropriations, the \$29,268,000,000 Bureau of the Budget estimates for the fiscal year 1947 reported so far to the Congress with request for appropriations the total appropriations for operation of the entire Government for the fiscal year 1947 would be reduced to some \$14,729,804,000. That \$14,729,804,000 of appropriations would come near approaching the prewar peacetime appropriation for the last year before Pearl Harbor, that is, with the Army and Navy appropriations included. I think the House should pause and take notice that this is the great need of America today. The great need of our country is to get down at least to pre-Pearl Harbor estimates, plus whatever increases in wages we have allowed in legislation and plus whatever the increased benefits to veterans in the appropriations to be administered by the Veterans' Administration. We recognize there have been at least 11,000,000 men in the armed services. I think the figure will be much higher than that because the ceiling of 11,000,000 does not mean there are only 11,000,000 men who have served in the armed forces. There has been a turnover of fighting men and women within that ceiling of 11,000,000 and the number of those actually who are veterans will probably be 16,000,000 men who potentially are recipients of aid in the fiscal years to come. Nobody wants to cut the veterans. Everybody wants to give the veteran his just due. We will never be able to pay our debt of gratitude, let alone the debt we may consider we owe the men in dollars and cents. We will never be able to pay them for the injuries that they have sustained. I am willing to go to any ceiling necessary to care for them. I am willing to go above the pre-Pearl Harbor estimates in order

to take care of the veterans in any way that we should. The ceiling is unlimited, so far as I am concerned, in taking care of the veterans. I want that point to be clear. But, by the same token, we owe a much greater responsibility as Members of Congress and members of the Committee on Appropriations particularly to cut every other agency and activity of the Government to the core so that we do not break the Treasury of the United States. Continuing a policy of doing everything for everybody and giving everything to everybody and every nation, we will give to the veteran a financially bankrupt country. That is the reason I think it is time for the entire House to back up this subcommittee of the Appropriations Committee that has had the courage to report out a bill that is a return to some semblance of sanity in the spending of public funds. To you folks who think we have cut too much and too deeply into the Interior Department appropriation, I call your attention to pages 74 and 75 of volume 1 of the hearings. You will find there that the Department of the Interior has \$230,692,993 as of the first of the year in unexpended balances appropriated in prior years which will be carried over and will be available in the fiscal year 1947. There will be more than the Interior Department can spend in the fiscal year 1947. But we must be practical. I think that the 50 percent that the committee has reported solely for the 1947 estimate now before you in this bill is the best that can be sustained on the floor of the House.

It is still too much, but I am for the committee's report and for the bill as reported, because it is a step in the direction that has been so long awaited by the unorganized, the patriotic American citizen who wants to keep the United States Treasury solvent and wants to keep the kind of America that you and I have known.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Miss SUMNER of Illinois. I think the action of this committee in cutting this bill has a better psychological effect toward preventing inflation than all the OPA would ever hope to do in the next year.

Mr. JONES. I thank the lady for her observation. I am entirely in accord with that point of view.

The remark was made earlier in the day that we were cutting the Interior Department bill and are willing to expend billions for the exterior. I think it may be said that a majority of the committee will vote for bigger cuts in the "exterior" spending programs, too. I hope that this bill—this committee frugality—is a start, that this will be a precedent, this will be the initial showing of courage needed to work on the rest of the appropriation bills as they come before the House.

On the appropriation bills on which I have worked earlier this year for the fiscal year 1947, increased personnel is allowed. If we continue that policy we will loose the country to bankruptcy just by accretion of bureaucracy alone.

There is one further fact that has not been discussed: The decrease in this bill over the fiscal year 1946 is \$24,201,248.69. There is the milk in the coconut. We will never get back to peacetime expenditures unless we start cutting the personnel beneath the 1946 fiscal year, the present fiscal year. This committee has cut below that ceiling some \$24,200,000. If you will look at the appropriation bills passed so far you will be aware there is an ever-expanding number of personnel on the Federal pay roll, for old John Q. Taxpayer to pay for. In addition to that comes the wage increases. In addition to that the public-expenditures programs. We cannot go on with the same kind of philosophy we have had in the past. I hope and I sincerely pray that the House will sustain the point of view of the committee and help save America.

I shall reserve the discussion of details of the bill until such time as amendments are offered to try to raise the amounts reported by the committee. If amendments are not offered to each item in the bill, of course there will probably be skips in the discussion as far as I am concerned, but I anticipate that when we see this bill again after it has passed the House, items in a great many instances will be ballooned by action at the other end of the Capitol. At that time I know that the record that has been made by this subcommittee in the more than 3,000 pages of hearings will sustain the position of the House, and then will be the time to make the fight.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JONES. Mr. Chairman, I yield myself one additional minute.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. MURDOCK. I understood the gentleman to say that he was in favor of anything for the veterans. I believe the gentleman stated that earlier.

Mr. JONES. Yes, sir.

Mr. MURDOCK. I notice only one item of many in the bill, for instance the Gila project in Arizona. The Budget estimate was \$2,000,000, and the committee has reduced that to \$867,210. The construction was cut out. If the original amount had been inserted, every bit of that difference would be construction for the benefit of veterans. That is what the law now provides.

Mr. JONES. I have the gentleman's question. In other words, the gentleman joins with the theory that every agency of the Government should be able to chisel in on the Treasury that the veterans' program may give in order to balloon their functions and expand their agencies. I do not go along with that theory.

Mr. MURDOCK. No. No.

Mr. JONES. I do not yield further. The Veterans' Administration is charged with the veterans' program and I am willing to vote every dollar necessary to take care of the veteran in veteran program legislation, but I do not mean to give to the Bureau of Reclamation or any other department of the Government a chance to expand and balloon their

activities and personnel by exploiting the veterans.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, this bill, reported by the gentleman from Oklahoma [Mr. JOHNSON], chairman of the Subcommittee on the Interior Department, is one of the most extraordinary appropriation bills ever reported to this House within the memory of any man now on the floor. It recommends reduction of departmental requests for money by a larger percentage than any similar appropriation bill submitted to the House in the last quarter of a century at least. In that respect it marks, I trust, the turning point at which we can begin to break away from wartime spending, get back to a peacetime budget, to a businesslike administration of Federal finances, and to the rehabilitation of the national credit.

The gentleman from Oklahoma has served for many years in the House and with great distinction. So far as I can recall he is the only Member of the House ever to turn down an appointment offered by the President of the United States to the Federal bench, a lifetime appointment carrying a very substantial salary, a position of exceptional dignity and honor. He has declined the appointment in order to continue his service in this body.

It is a matter of deep gratification to all members of the committee that he has chosen to make this personal sacrifice of the security and permanency afforded by the Federal judiciary. As this bill indicates, he is greatly needed here in Congress where his experience and his wide knowledge of fiscal legislation is particularly valuable just at this time. One of the gravest of the many reconversion problems daily presented to the Congress, is how to provide money for the operation of the Government under the changed financial status in which we find ourselves following the war. Previous to the war we ranked as the wealthiest Nation in the world. We have, however, expended so prodigally during the war, not only in terms of dollars and cents but in terms of essential raw materials and natural national resources which can never be replaced, that it is important, and imperative, that we now take into account in writing these appropriation bills our ability to tax and the ability of the people to pay.

Strange as it may seem, although it should be a matter of common knowledge, there are apparently a great many who do not consider the situation to be any different following the war and following the accumulation of this vast debt than it was before the war when we owed comparatively little money and national resources were comparatively unimpaired.

Let us consider in that light the bill before us. You know, and I speak considerably, we could expend the total revenues of the United States Govern-

ment today on this one bill. We could expend the entire national income on the items carried in this bill and not waste a dollar. It could be money well expended, it could be money which in days to come would return as bread cast upon the waters. So the proposition before us today is not whether the money provided in this bill or money which could be added to the bill by amendments offered from the floor would be well and advantageously spent.

The question is, Do we have the money to spend for such purposes at this time? I do not deny that any proposal made in the bill, or any proposal which may tomorrow be made in any amendment offered to the bill, might be money well spent and well invested. But, it is not a question of whether it would be money well invested. The question is, Do we have the money to invest?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. NORRELL. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CANNON of Missouri. Mr. Chairman, I am not saying there are Members on this floor who would be willing to spend the entire national revenue on Interior Department projects. I would not go that far. But I do say there are Members of this House who, judging by past performances, would be willing to increase the national debt in order to provide for projects in which particular sections of the country are interested.

We live under the greatest system of government the world has ever seen. It has been said, and very truly, that the Constitution of the United States is the greatest document ever struck from the mind of man. Our system of government, under the supreme test of experience, has produced in 150 years the wealthiest, freest, happiest nation history has even known. But democratic government has one defect.

Democratic government places too great a stress upon a Member of the House who, as is so frequently the case, must vote here on a matter in which there is a conflict between the national welfare and the selfish interest of some particular State or community or industry. Every 2 years he must submit himself to the voters of his district. And to expect him to come in here and register his vote on an appropriation to profit his constituents at the expense of the Government is putting him to the acid test.

I mention this because of the fact that the gentleman from Oklahoma who presents this bill, and I consider him one of the great men of the Nation, in character, integrity, and ability as well as in service in this body, has taken a position here which is difficult for a man in public life to take. He has cut the funds for his own State, he has cut the appropriations for his own district. He has voted against the appropriation of money to be expended in the immediate interest of the constituents who next November will vote on whether he shall return to this body. He does so because of his responsibility to the Nation as a whole. Mr. Chairman, there can be no greater test of statesmanship.



At this time I want to express what I am certain is the opinion of the committee and the sentiment of the House, our deep appreciation to the people of his congressional district for sending him here and keeping him here, and especially for persuading him to remain in the legislative branch of the Government when he had so tempting an offer to transfer to the judicial branch of the Government. He has made the Sixth District of Oklahoma one of the outstanding and influential districts of the Nation.

He is contributing materially to the work of the Committee on Appropriations in its effort to stabilize national finances, avoid inflation, maintain the purchasing power of the dollar, decrease taxation, and insure national prosperity founded on national solvency.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

MR. JONES. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. KNUITSON].

MR. KNUITSON. Mr. Chairman, the American people are beginning to ask themselves who is boss? Is it Sidney Hillman or the American people, and where does Harry S. Truman come in? How long will this administration continue to sponsor the Fascist program of CIO-PAC? The time has come for a new declaration of independence.

America is in the throes of a revolution that threatens to send our economy into a tail spin. Ever since VJ-day the Nation has been afflicted with strikes and labor disputes which have all but paralyzed industry and stopped production. The unthinking are apt to lay all the blame upon the President when much of it should be laid at the doorstep of the New Deal leaders in Congress who, for 13 long years, have slavishly and blindly gone along with every pressure-group proposal from the White House, no matter how fantastic or dangerous.

That the American people at long last realize that the New Deal leadership in Congress and those New Dealers who have blindly followed them are also responsible is attested by the following telegram sent to New Deal leaders in both Houses of Congress:

ST. PAUL, MINN., May 7, 1946.

For many years you and your political associates have been in power at Washington. You have wielded tremendous influence. You have the power and the authority to wield that influence today. Your party controls the legislative and the executive branches of government. The power to act rests with you. You have written and administered the labor and the price-control codes under which the Nation is suffering today. You are responsible for the blundering and chicanery of the OPA. There should be no need for calling the roll of the tragic events that are robbing America of the basic necessities of life, food, shelter, and clothing. Many Europeans are starving today because American industrial and production processes have been bogged down. The people of the United States may soon share the plight of our neighbors overseas. You in Washington may have felt the fringes of the effects of the coal strike, but we farmers in the Midwest will be dumping milk and cream on the ground, or feeding it to hogs, within 2 weeks, unless the coal cars start rolling

in at once. This is the flush season of dairy production—the season when milk and cream are processed for use in the 9-month season of decreased production. Tremendous amounts of fuel are needed to process dairy products, and the coal bins in our cooperative dairy processing plants are emptying rapidly. Many packing and poultry dressing plants will, of necessity, reject our livestock and poultry now awaiting market, unless their coal supplies are immediately replenished.

You know that coal miners are generously paid today—that the average wage in the anthracite fields is \$1.25 an hour. Higher wages would be highly inflationary. We know, as you must know, that the sales tax or occupational tax the Lewis miners' union is attempting to impose, on top of the generous wage increases the operators are willing to grant, is contrary to the basic principles of good government. The power to tax rests with Congress. Taxes must not be diverted from the public treasury into the coffers of any organized group of American society.

If the Wagner Act passed by your party permits a strike of this kind, it is your responsibility to reform the act, so that it will serve rather than oppress the people. If the fault lies with faulty administration, you have the power to correct that. Your party has strong working majorities in both Houses of Congress.

You must realize now that this tremendous power has not been used in the interest of sound government and in the interest of the common people. Cannot you see that action must be taken now, and that responsibility for action rests with you and your party?

Nero fiddled while Rome burned. Better stop fiddling.

CENTRAL COOPERATIVE LIVESTOCK  
ASSOCIATION,  
N. K. CARNES,  
LAND O'LAKE CREAMERIES,  
JOHN BRANDT,  
MINNESOTA FARM BUREAU  
FEDERATION,  
J. S. JONES,  
TWIN CITY MILK PRODUCERS  
ASSOCIATION,  
W. S. MOSCRIPT.

Unfortunately for the country, Mr. Chairman, conditions will continue to worsen rather than improve, so long as the present crowd is in control of Congress. Our only hope lies in a change as we know from past experience that those now in control will continue to blindly follow party dictates rather than serve the real interests of our people. As now constituted the New Deal administration has a majority of 50 in the House and 15 in the Senate. That must be reversed in November if the country is to be saved.

Understand, I am not classifying all Members of the majority as New Dealers. Time and again a group of patriotic Southern Democrats, disregarding party ties, have crossed over the aisle and joined the Republicans in defeating vicious measures intended to further enslave our people, or to help us remove some of the shackles that have been forged upon us by the New Deal group. To those Democrats, all honor and praise. They deserve the best that their constituents can give them because they are real Americans.

I need not remind the House how every effort on our part to defeat enslaving legislation, to reduce appropriations, to eliminate needless and costly bureaus

that are consuming our substance, has been bitterly resisted by New Deal leaders in both Houses of Congress and they must take the responsibility, along with the President, for what has befallen and will befall.

This morning I received a postal card which reads as follows:

BUCHANAN, VA., May 7, 1946.

OPA is stifling little business.

We have been stifled and have closed our factory.

HAFLEIGH & Co.

Similar tragedies are being enacted all over the land but our blind leadership refuses to take the measures that are necessary to put the ship of state back on an even keel.

"Spend, spend, tax, tax, elect and elect" continues to be the slogan of the New Dealers, and Rome continues to burn.

In the time that the New Deal has been in power they have made some unholy alliances but none more so than the alliance with CIO-PAC. That sweet-smelling organization now controls nearly 100 votes in this body and they are out to get complete control of the House. Recently their membership announced that they were going to raise a slush fund of \$6,000,000 to be used in defeating sitting Congressmen who refuse to do their bidding, and to replace them with individuals who will be more obedient. As I figure it, that will mean \$60,000 in each district that they go into. Not only will they fail to increase their strength by 100—I venture the prophecy that they will suffer a severe shrinkage in the strength they now hold in the House. They openly boast of their intention to defeat me in the Sixth District of Minnesota. I welcome their condemnation. The loyal Americans in my part of the country have nothing in common with the Communist CIO-PAC. The American people are not ready to turn their country and the control of their Government over to a group of self-seeking Fascists who are inspired from Moscow.

Remember, my friends, there will always be a United States of America if we remain steadfast in our convictions.

MR. AUGUST H. ANDRESEN. Mr. Chairman, will my colleague from Minnesota yield?

MR. KNUITSON. I yield to my friend from Minnesota.

MR. AUGUST H. ANDRESEN. Permit me to say that our colleague from Minnesota has made a constructive contribution to the vital issues of today, by his reading of the clear and forceful telegram received by him from the farmers and farm organizations of Minnesota. The telegram is addressed to the Democratic leaders in both Houses of Congress. Since the executive department refuses to act in an effort to settle the coal crisis, and to change policies which are retarding production of food and vital goods in this country, the only recourse which the people have, is through their Congress. In my opinion, the time has come, if it is not already too late, for the Democratic leadership in Congress to permit the membership to vote on legislation which will

remove existing obstructions that now retard production.

Inaction on the part of the majority, in the present crisis, may be due to the fact that Democratic leaders fear a depression in 1948, should they now permit full production of food and civilian goods in the United States. Therefore, they are holding back on production, planning to give the green light for full production of everything after July 1947, with the hope that an economic boom will last well into 1948, and that they will be the political beneficiaries in the Presidential election 2 years hence. This idea is worth pondering over by astute thinkers.

Mr. KNUTSON. I would not be at all surprised if the gentleman's suggestion is correct. They are going to delay serving the dessert as long as they can in the hope they can put it off until the guests are ready to go home. But it is very, very obvious to me at least that the administration is continuing its policy of "clearing everything through Sidney."

Mr. AUGUST H. ANDRESEN. I think it must be clear to every right-thinking American that the administration is pursuing a policy of scarcity, putting not only small business out of business but also retaining bureaucratic control over all people in the country. This strike, of course, is helping to accomplish that objective by stagnating the economy of our country. It seems to me that the time has come when we here in Congress who believe in our American system must assume leadership and clear the decks so our country can get back to a free economy and produce in order to stop inflation.

Mr. KNUTSON. I am sure the gentleman will agree with me that the Republicans, aided from time to time by fine, loyal southern Members, have tried, often unsuccessfully, for the lack of votes, to stop much of what is being done. We have tried to keep the ship of state on an even keel, but always—always, as the gentleman well knows—we have met with the bitterest opposition from the New Deal leadership on the majority side.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. WICKERSHAM. I want to be sure I understood the gentleman correctly. Did the gentleman state that the Republican leadership was partially to blame?

Mr. KNUTSON. I did not say that?

Mr. WICKERSHAM. I believe you said "the leadership on both sides."

Mr. KNUTSON. No, I did not say that, because the Republican leadership cannot be charged with either malfeasance or nonfeasance, for they have tried to do their duty.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. GRANGER. I think I understood the gentleman to say in reading the telegram that the author indicated that the President had the legislative branch of the Government with him. He was talking through his hat, because that is not true.

Mr. KNUTSON. But that is true, as the gentleman should know.

Mr. GRANGER. Because every part of the President's program has been sabotaged by the Republicans and by those—

Mr. KNUTSON. Southern Democrats. The President, for instance, wanted to extend the unemployment loafing period to 26 weeks and increase the amount of rocking-chair money to \$25 a week. I presume the gentleman from Utah was for that. I will give the gentleman an opportunity to say if he was for that, so the folks back home may know where he stands.

Mr. GRANGER. Will the gentleman yield?

Mr. KNUTSON. Yes, I yield.

Mr. GRANGER. I want to say to the gentleman that I have wholeheartedly supported the President's program.

Mr. KNUTSON. I know that. None has been more loyal, and, may I say, more blind.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. AUGUST H. ANDRESEN. The telegram which the gentleman read was addressed to Senator BARKLEY, Speaker RAYBURN, Senator O'MAHONEY, and Senator LUCAS, and was not addressed to the President. The writer of the telegram wanted the leadership in both branches of Congress to correct the situation.

Mr. KNUTSON. Why, of course, here is where it should be corrected. I do not think it is fair to the President to keep charging him with responsibility for indefensible acts which are largely due to the cowardice of the majority that is now in control of Congress.

I yield back the balance of my time, Mr. Chairman.

Mr. NORRELL. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I rise to offer constructive suggestions rather than to criticize. The record submitted by the Interior Subcommittee is perhaps the most voluminous record submitted in recent times covering such a bill. I appreciate that with such a volume of testimony some points necessarily will be overstressed and others understressed. The time has not been sufficient for an average member to check the testimony, but I do wish to preserve the record on several items that I have specifically investigated.

On page 4 of the committee report reference is made to the loss of power loads and resulting revenues by the Bonneville Power Administration. Evidence is now available, since the hearings, showing that the war cut-backs will be shortly recovered and unless further capacity is provided the Northwest will run into a serious power shortage 5 or 6 years from this time. Therefore, capacity additions will have to be scrutinized closely. In making these statements I am fully conscious of the fact that when I urge appropriations for the Bonneville Power Administration I am not seeking to burden any taxpayer. Under the Bonneville Act of 1937 all appropriations for such construction will be self-carrying and self-liquidating.

Since the committee hearings, the War Assets Administration has leased the Troutdale aluminum plant in my district to the Reynolds Metals Co. The terms of this lease provide for continuous operations of four potlines. This will bring in \$2,450,000 additional annual revenues over those shown in the hearings. The Kaiser Co. has also leased the six potlines at Spokane and the 50,000-kilowatt rolling mill at that point. These Spokane loads and the Troutdale loads will account for 300,000 cut-back kilowatts, equivalent to annual revenue of over \$5,200,000.

On pages 6 and 7 of the committee report the allotments for the Bonneville Power Administration are shown. I note in this citation that the committee has eliminated proposed bill language covering the purchase of transmission lines. I have one case in my district that may lead to misinterpretation. According to the committee report, the authorization eliminated covered only the purchase of transmission lines. The substitution of the Troutdale aluminum plant is now the property of the Defense Plant Corporation. Under an existing contract between the Bonneville Power Administration and the former Defense Plant Corporation, Bonneville agreed to take over the Troutdale plant substation at the termination of the contract. This transaction represents a contract obligation and actually does not represent any additional outlay on the part of the Federal Government. Any funds that Bonneville would pay out of any appropriation to the Reconstruction Finance Corporation would go back to the Federal Treasury. I do not interpret the language of the report as creating a bar to the completion of this contract obligation. I trust that the committee did not have this in mind, and there is nothing in the record that shows that it does. The successful recovery of the Federal investment in the war plants necessitates that the contracts be fully carried out. I am bringing this matter to the attention of the House so that the record will not be open.

The committee report further indicates that the operation, maintenance, marketing, and administration limitation has been reduced from \$4,290,000 to \$3,695,400, or a cut of \$595,600 below the estimate submitted by the President. This cut in round numbers is about \$100,000 below what the committee allowed for the fiscal year 1946. I arrive at this figure by adding to last year's allowance the amount recently included in the joint resolution applying to increases growing out of Public Law 106.

I can find no testimony that would justify such a large cut. Time is not available during the debate to completely cover the situation. I trust that if any error exists, or if there is an injustice, it can be removed.

Last summer certain amendments to the Bonneville Act passed the Congress. The amendments largely covered house-keeping and welfare activities. These amendments carried certain obligations. The extent of these obligations is shown in House Document 493. The committee intended that funds would be provided in the amount of \$90,000 to cover



increased pay of hourly employees and payment of unemployment compensation for certain hourly employees where the law was applicable. It would appear that the \$3,695,400 operation and maintenance limitation is not sufficient to cover these obligations. Therefore, I feel that further consideration is necessary on this point before a wise decision can be made.

The O. & M. limitation covers service. The returns to the Government on these large Federal investments will primarily hinge on the type and quality of service rendered. This is a technical question, but I can find no evidence to the effect that the cuts will not hamper service.

The machinery of congressional action is available to explore this situation and to correct any inequalities. The reason that I offer these points is that when a horizontal cut is made there is no way humanly possible to keep out inequalities. I stand with the committee for the greatest possible efficiency, but I feel that a horizontal lowering should be carefully scrutinized.

I note by the report that the line extension and service item has been cut from \$2,500,019 to \$500,000. This is a revenue-producing item and it should not be used as a revenue cutter. If I read the House report clearly on page 7 the door is open for deficiency consideration on this item if any condition arises where revenues will be cut. The advance surveys and design, together with tools and equipment, have also been cut sharply. There is no information in the record showing whether this is or is not an equitable adjustment. If it is not, I trust that further justifications can be brought forward at the proper time and in the proper place.

We take pride in the recommendation given by the committee in its report covering the outstanding service of the power facilities of the Columbia to the Nation during the war period. On numerous occasions I have paid deserved tribute to the vision of this committee and I approach my remarks today in the same spirit of appreciation as I am fully conscious of the burden thrown upon the committee by the extent of the testimony.

**THE BONNEVILLE \$17.50 KILOWATT-YEAR RATE WILL FULLY PAY OUT THE FEDERAL INVESTMENT**

Mr. Chairman, four times within the last year I have presented to this House my own analysis of the power rate pay-out capability applying to the federally owned Columbia River hydroelectric projects. They have an important bearing on the economic welfare of my congressional district and the entire Northwest. These presentations can be found in the CONGRESSIONAL RECORDS of July 6, 1945; October 1, 1945; October 29, 1945, and February 1, 1946. These remarks were confined to principles, to policies written into law by Congress, and the presentation of official facts and figures completely documented, from other more or less neutral sources. This information and the formula written into law by the act of August 20, 1937, demonstrated debt liquidation security. When the interests of the State of Oregon are inde-

pently considered, a rate as low as \$14.50 per kilowatt-year will fully pay out all legal costs applying to the Bonneville project and its marketing transmission facilities. The record further shows that on no occasion have these conclusions been seriously challenged.

In these cited discussions I have based my conclusions on the official facts and data presented to congressional committees. Also included were the official economic and rate surveys as required by existing statutes. These previous studies rested on findings and evidence submitted by the Federal Power Commission and the Corps of Engineers.

With this background, I have now carefully checked the hearings on the 1947 Interior supply bill to see if my previously stated position has been corroborated, and fully sustained by this late record. Proof of the correctness of my position can be found on pages 374 to 376 of the House hearings on the 1947 Interior supply bill.

This last citation shows that no fault can be found with the position of rate adequacy under existing Federal laws. Therefore, all of this past criticism and confusion now rests only on personal opinions and personal disagreements with the law as written. Consequently, following such a cited admission to a conclusion, the previous criticism of Columbia River rate adequacy cannot be considered valid until such time as Congress revises a long-established policy covering the handling of Federal property. The Supreme Court on numerous occasions has upheld the constitutionality of such policy.

On February 1, 1946, I presented additional facts to point out another approach to test the soundness of my stated position "that the \$17.50 power rate was fully adequate to liquidate all established costs applying to the Bonneville and Grand Coulee projects." This has been done. The additional official check of adequacy has been presented to the Congress through the House hearings on the pending Interior bill.

On February 14 last I presented a press release which can be found on page A752 of the Appendix of the CONGRESSIONAL RECORD. This reference shows that Administrator Raver then presented to the House committee a commercial audit of the Bonneville Power Administration accounts and of the two generating plants serving this system. In addition, based on such an audit, he presented a pay-out test. The reasons and the history that led up to these two presentations were given in the RECORD on February 14, and consequently do not need to be repeated.

These two extensive exhibits again demonstrate that the basic rate structure of \$17.50 per kilowatt year, applying to wholesale power deliveries from Bonneville and Grand Coulee, fully protect the full and complete Federal investment. These two reports have been officially transmitted to the House committee by the Secretary of the Interior.

The commercial audit demonstrates beyond question that the financial position of these projects is sound and will continue in such condition during the coming years. To date the consolidated

revenues have been sufficient to meet all the financial requirements from the start of these projects. In addition the audit shows, after meeting all the financial requirements, a further factor of safety exists because of the earned surplus. The audit and pay-out documents, together with the report of the Federal Power Commission, demonstrate that the operations to date have fully satisfied the financial obligations resting on the Bonneville Power Administration.

This is the earliest opportunity that such factual evidence could be presented. Such an official audit and pay-out test necessarily rest upon the cost allocations required by Congress. These cost allocations were made by agencies other than the Bonneville Power Administration. They were not fully completed until about the middle of the last calendar year.

The pay-out analysis presented by the Bonneville Administrator shows that the existing wholesale rates will fully cover all future operation and maintenance expenses together with the reimbursable construction and investment costs, including replacements. It was further shown that all expenditures will be fully returned to the Treasury, with interest, within 50 years from the date that the construction power costs were incurred, and 50 years from the date that water is first made available to each block of irrigable land. The data presented to the committee further shows that under the scheduled load program these two projects will not only return all power investment costs but will, in addition, contribute over \$228,000,000 to reclamation costs, over and above the amount that the landowners will be able to pay. Furthermore, in addition to meeting all statutory costs and the cited irrigation contribution, these projects under the \$17.50 rate will yield an additional surplus amounting to \$160,000,000. These figures and facts show that full protection exists for complete liquidation. In addition, the statute requires that power sales contracts contain a provision for a rate review every 5 years, to test the return adequacy of the rates.

Admittedly, confusion existed in the floor discussions, which led to questioning the adequacy of the \$17.50 rate. A comparison of the 1946 hearings with the 1947 hearings definitely points out how this confusion arose. Anyone who wants further proof on this point can find the same on pages 381 and 382 of the 1947 hearings.

I can well understand how this confusion arose. When the 1946 bill was under consideration by the House subcommittee, testimony was presented designed to show that any pay-out test under the so-called solicitor's opinion would either forgive the principal or interest components. The parties who gave this testimony were completely in error. The fact that this previous testimony was in error can be found on page 382 of the present hearings. Furthermore, the pay-out test submitted by the Bonneville Administrator definitely includes all principal and interest charges required by the statutes.

In reviewing this past record I feel that the committee was definitely within its

rights in bringing the issue to the forefront. For the last 44 years Congress has appropriated funds for western reclamation projects on the theory that these costs would be reimbursable and would never become a burden to the general taxpayer. Naturally, when evidence was presented to an Appropriations Committee allegedly showing that the interpretation of a solicitor's opinion forgave interest or principal, the committee was bound by duty to raise the issue.

As a result of this unfortunate confusion, citizens of other States, for self-serving purposes, contributed to the allegation that the \$17.50 rate was inadequate. When such outside interests injected such allegations into congressional hearings I naturally took the floor. It was these incorrect allegations that led to my previous study and remarks.

The pay-out, the audit, and the allocations reports made pursuant to the Bonneville Act of 1937 and the Reclamation Act of 1939 show conclusively that the Bonneville, Grand Coulee, and their accessory transmission lines have been a sound investment and a profitable business development. In the future this situation must be maintained and protected from outside political influence or from incorrect departmental decisions. This is necessary if the people of the great Northwest continue to be the beneficiaries of the power, navigation, reclamation, and flood-control features of these two great projects. The national interest, as well as the regional interest, will demand protection against any changes which could transform such a sound development into a bad business enterprise.

The congressional delegations from both Oregon and Washington, in both Houses, thus have a substantial responsibility resting upon them for the next decade. To date Oregon has registered no objection to the assumption of the repayment load in the power rate to cover reclamation projects located outside of the State. This will continue, in my judgment, if the differential is always maintained within reasonable limits. However, Oregon will object to any future changes in the set-up or outside moves made with the objective of elevating the wholesale rates from these two Columbia River projects. Nature has not endowed the Pacific Northwest with substantial quantities of oil, coal, or gas. Oregon does not ask that California sell fuel within its borders on the basis of delivered costs at Portland. Oregon respects the endowment that nature has given other sections, but expects reciprocal treatment. Oregon will always be able to protect its constitutional rights, and will not submit to a political penalty which would cancel out its natural advantages.

It is now plainly evident that the adequacy of the \$17.50 rate has been demonstrated, and the full protection to the Federal Treasury has been established. I trust, with such a record, the former false rate issue will not be raised again.

Time will prove the soundness of such a rate. This rate will, in the future, materially contribute to the industrial upbuilding of the Pacific Northwest. The

major part of both of these projects was built during a comparative low-cost period.

The only way we have to judge the future is from the past. Consequently, I have been interested in following price trends. If such a trend is traced from the beginning of the Civil War to date we will find that cost indexes have risen during and following each war and then peaked in the immediate postwar period, finally receding to a fairly uniform base until another economic upheaval occurs. These power structures were built under conditions existing when price indexes were some 40 or 50 percent below the index which will exist for the next decade. This economic trend may lead in the future to further unwarranted attacks on the basic Columbia rate structure. On costs incurred to date, such an attack should not be successful. This sound rate structure, based on actual costs and full repayment to the Government, should be maintained. This must be done if we are to enjoy the natural advantages of the Northwest area of our country, with which we have been endowed by nature.

Mr. NORRELL. Mr. Chairman, I yield myself 18 minutes.

Mr. Chairman, much has been said since VJ-day about the necessity for economy, the desirability of a balanced Budget, the wisdom of gradually reducing our national debt, the elimination of excessive Federal personnel and of useless bureaus, departments, and commissions, the cancellation of wartime controls and regulations as expediency permits; in brief, to return to our historic, constitutional way of life by way of that great road or highway on which we have so successfully journeyed for the past 159 years since the writing of our Constitution in 1787.

In presenting for your consideration the supply bill of the Department of the Interior for the year 1947, it is my judgment that our committee has taken at least a forward step toward this highway—toward a balanced Budget and the other goals desired by all loyal American citizens.

I desire to pay special tribute to our very able chairman, the gentleman from Oklahoma [Mr. JOHNSON] for his leadership. He has made a great chairman. He is efficient. He is one of the hardest-working Members of Congress. He is admired and respected by all members of the committee.

While the members of our committee may not always agree, everyone is honest and conscientious and believes in a sound economy. They are hard workers. There are no politics in this committee. We try to do the best possible for our Nation and its people.

The total budget estimates before us for the Department of Interior for the next fiscal year amount to the colossal sum of \$346,765,830, which is over three times the amount of appropriated funds contained in the regular supply bill for the current year.

We recommend in the bill being presented to you a reduction of \$172,113,251, which is about 50 percent of the amount the Department of the Interior requested. We have allowed the sum of

\$174,652,579 for the maintenance of the Department during the next fiscal year. This means that the budget for the next fiscal year will exceed the amount provided in the regular supply bill for the current year, which was in the amount of \$111,690,258.

After VJ-day, owing to the fact that many very worthy projects had been deferred during the war, the Deficiency Committee—not the Interior Committee—provided an additional appropriation; that is, an appropriation in excess of the amount contained in the regular supply bill. The additional amount appropriated was \$191,166,387. Also, since the passage of the recent salary increase bill, it has been necessary for the Appropriations Committee to provide still another appropriation for the Department of the Interior for the current year in the sum of \$7,687,440. This makes a grand total of available funds for the current year to the Department of the Interior of \$310,544,085. The Department had a carry-over of unexpended funds on January 1, 1946, amounting to \$135,000,000. However, all except the regular supply bill for the current year was considered unusual, urgent, and supplemental, largely because the war had ended and it was believed that construction work on projects delayed during the war should be immediately started.

You can imagine our surprise, and, may I say, disgust, when we received the total estimates for the 1947 fiscal year. We had thought the amounts allowed in the deficiency bill, which are largely unexpended, would be sufficient to cover expenditures for projects postponed by the war. We had expected the usual estimates to be submitted to us this year.

We have worked from 10 o'clock in the morning until 5 o'clock or later in the afternoon, conducting hearings on this bill, every day except Saturdays and Sundays, for a period of 6 weeks. You can see from the printed hearings and our report something of the tremendous task that we have attempted to perform. We think we have done a reasonably good job.

May I say at this time that we are in debt to our colleagues of the Congress for the splendid assistance given us. We regret that the full amount of requested funds could not be allowed. We believe all projects, however, have been provided with ample funds. We have tried to be fair. We believe you will support us in the position we have taken—one of economy. I hope that the other body may also support the action of the House regarding appropriations contained in this bill. If, in their great wisdom, they desire to rewrite the bill, I hope they may decrease rather than increase the amount appropriated. This, however, would constitute a drastic departure from the established precedent.

Mr. Chairman, this Nation is today at the crossroads. Certainly we should be able to read the highway sign, which I think is very conspicuous: Stop! look! listen!

At the close of 1945, the Federal debt amounted to \$1,861 for every man, woman, and child in the Nation. This burden will amount to about \$2,000 per per-



son by July 1, 1946. This means that for every family of four—husband, wife, and two children—there will be owing by that family on the national debt the sum of \$8,000.

Our total national Budget now under consideration calls for expenditures of \$35,100,000 for the next fiscal year. This does not include the financing of a number of proposals and authorizations. Yet our deficit in this peacetime and high tax-paying year, including receipts from surplus property, is estimated to be about \$3,600,000,000. This deficit equals the total expenditures of this Government, excluding debt retirements, for any 1 year prior to 1931, with the exception of the period of World War I.

It will exceed even this amount if Congress fails to reduce the requested appropriations, and if we add to the budget the various amounts that Congress is being called upon to provide, which were not included in the regular Budget.

The Department of Interior is not alone in excessive requests. The Department of Commerce, before the war, in 1939, had appropriations amounting to \$43,000,000; today it is asking for \$165,000,000. The Department of Justice had \$47,000,000 in 1939; today it is requesting \$93,000,000. The Department of Labor, in 1939, had \$6,000,000; today it is requesting \$99,000,000. The Department of State, in 1939, had \$17,000,000; now it is requesting \$127,000,000. The Treasury Department, in 1939, had \$115,000,000; and now it is requesting \$327,000,000.

On and on it goes. No use going further with figures. Do they need the money? Maybe so. In 1939, however, we thought too much money was being spent. We heard much criticism. We all remember that period. How many ran for office on a slogan to reduce Federal expenditures? Well, we have not done it yet.

If you will support the Appropriations Committee, we will reduce the Federal Budget.

Have you ever criticized the Government for having so many Federal employees? I do not blame the employees for working for the Government. They are not to be criticized. The Government is to be criticized, if criticism is due. In 1933, we had a total of about 500,000 Federal employees. By 1939 we had increased the number to something over 1,000,000. At the wartime peak in 1944, we had 3,702,904 Federal civilian employees. The latest available figures that I have indicate that we now have about 3,215,000—a notable reduction.

But what is the picture regarding Federal personnel outside of the few wartime agencies that have been eliminated? For example, the Bureau of the Budget has increased its personnel from 492 to 825; the Civil Service Commission from 1,570 to 2,244; the Federal Communications Commission from 606 to 1,006; the Coast and Geodetic Survey from 693 to 1,057; the Public Health Service from 667 to 984; the Bureau of Labor Statistics from 509 to 1,548. The Department of State from 11,188 to 18,943; the Department of Labor, from 6,346 on VJ-day to 34,596 in November 1945. In short, from

August 30, 1945, to December 31, 1945, there was an increase of approximately 105,000 employees in the Government service, in other than wartime agencies.

I do not mean to do these departments any injustice by mentioning them at this time. I am only trying to show the trend of Federal employment. Practically all have requests for increased personnel for the next fiscal year. I am not taking the position that they do not need the personnel, or that the personnel is not highly capable of earning even more than they are being paid; but I am very definitely taking the position that the taxpayers of the United States are not able financially to hire this personnel even though they are needed.

The total man-hour personnel request of the Department of the Interior is 48,000, which is an increase of 9,000 over last year, provided in the last regular supply bill.

Now where are we going? Add to these figures the amount necessary to pay the total salary increase to be provided by Congress for the Federal personnel, presently estimated to total about \$426,300,000 per year. Can we expect to tax the people sufficiently to pay these enormous sums, balance the Budget, and start the reduction of our debt?

Are we having a reconversion in our Federal pay roll? Another way of checking is in regard to the office floor space used by the Government. Throughout the Nation I am told the increase in leased space in office buildings went from 68,277,527 square feet in May 1941 to 277,807,773 square feet in August 1945. Only a decline of 4,021,705 square feet had been noted by January 31, 1946. This is a reconversion in Federal office floor space of about 2.5 percent.

It cannot be denied as a minimum statement that the Federal Government is to emerge from the war, if Congress permits, with a civilian labor force in excess of its prewar size. The growth of the Federal expansion must be stopped. Fifty years ago our Federal pay roll contained less than 200,000 employees. During World War I our Federal pay roll went to 917,000, but by 1923 it was down to about 515,000. It had, however, passed the million mark a year before Pearl Harbor.

The requested appropriations of the Department of Interior now before Congress exceed the total cost of the Federal Government, excluding debt retirements, for the year 1892; and, excluding the years of the Spanish-American War and the War Between the States, it amounts to more than the total Federal Budget for any one year, excluding debt retirements, from the time our Government was organized in 1780 to 1892. It exceeds one-half the cost of the entire Government in any one year, excluding debt retirements, from 1892 to 1916, when again we were approaching war. The total cost to the Federal Government, excluding debt retirements, from 1922 to 1933 never exceeded \$3,500,000,000, which is less than the estimated deficit this year. Actually, our total expenditure, excluding debt retirements, as recent as 1939, was only \$7,238,822,158.

Our total Budget for 1947—a peacetime Budget, if you please—is in excess of \$35,000,000,000—or about five times what it was in 1939.

We all realize that it will be impossible hereafter for the Government to operate on prewar Budgets. We have an annual interest charge on our public debt amounting to approximately \$5,000,000,000. The expenditures of the Veterans' Administration amount to about \$5,000,000,000, and we may expect increases in the future. Other governmental expenditures, due to salary increases, the increased cost of material and operational expenses, must be provided. I do not mean to be unfair in my statements. I realize that our Budget must exceed any prewar Budget. My position is that economies must be practiced where possible, and that we should make substantial reductions in the Budget for the next fiscal year, thereby balancing our Budget and starting the reduction of our debt.

Thirty governors, including Democrats and Republicans, recently called for a balanced national Budget. They requested that we start now to pay on our national debt. I am sure this is the sentiment of the other governors of the Nation. I am also convinced that this action represents the sentiment of all loyal American citizens. I believe it represents the conviction of a majority of this House.

Only by this course can our Nation go forward with hope and faith. Only by this course can our Nation act in fairness to all veterans, to the widows, children, and dependents of those who gave their lives, to the taxpayers—to you, to me, to our children, and to generations yet unborn.

The least we can do is to support the recommendations of the committee.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Ohio.

Mr. RAMEY. As I understand the gentleman's statement, there are 3,215,000 employees on the Federal pay roll.

Mr. NORRELL. That is approximately correct.

Mr. RAMEY. May I make an observation that only 533 persons in the Federal Government are chosen by the people; this includes the President, the Vice President, the Senators, and the Members of the House of Representatives. Thus, only 533 persons can be hired or fired by the people, while these persons in the departments receive their jobs by appointment and have security to the end of the road. Perhaps that is the reason they want to remain and remain. They are independent, they are away from the people. Therefore, ought not these who can be hired and fired have some definite supervision over them, by the representatives of the people?

Mr. NORRELL. The gentleman is correct. I know of no employee that would draw a salary from the amounts appropriated in the Department of the Interior appropriation bill that is elected by the people.

Mr. DWORSHAK. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, my congratulations go out to the members of this subcommittee, which has brought in a bill carrying \$172,000,000 below the Budget. However, there are factors involved that still worry me. The cuts do not worry me, but what there is left to spend does worry me.

They had \$191,000,000 available in 1946, the current fiscal year. In the next fiscal year they will have \$174,652,000, plus \$230,692,000 of left-over funds—funds that they can use next year, making a total available for them to spend of \$405,000,000.

This thing worries me because of the terrific number of projects and people on the Federal pay roll and because of the way things are drifting. I have in my hand Senate Committee Print No. 26, put out by the Joint Committee on Reduction of Nonessential Federal Expenditures just the other day. On pages 4 and 5 of that document I find that every single department and agency of the Federal Government, with the exception of the War and Navy Departments, increased their personnel, with very few minor exceptions, in the period from March 1 to March 31 of this year. In other words, during this time those agencies and departments showed a net increase of 32,783 employees, at a time when we should be liquidating war activities and other things of that character. The fact that Budget estimates of \$346,765,000 should be sent in here for the Interior Department indicates the depth to which our economy has shrunk under New Deal-Democratic management. The resentment among the people against this wild spending of Federal funds has forced this committee to bring in here this cut of almost 50 percent. It is a healthy sign. I hope we will have more such cuts. I hope when opportunities to cut items are presented upon the floor of the House they will have better support than was received last week in our attempt to prevent useless and dangerous expenditure of public funds.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Of course, I think most of us agree with the gentleman's attempt to bring about some economy. What is going to happen to this, can the gentleman tell us, when it gets over to the other body? That is the thing that worries me.

Mr. TABER. I do not know what is going to happen to it, but no great amount is going to be added to this bill as a result of a conference report without an opportunity for the membership of the House to stand up and show whether or not they stand for economy. That is the thing that is going to count in the long run in keeping down these expenditures.

Mr. HOFFMAN. There has been a great deal said here in the last few days about John Lewis and his coal strike. As near as I can learn from examining the news reports and the decisions of the different Government agencies and the courts, Lewis is strictly within his rights. I assume the other body will be strictly within its rights when it adds,

as it probably will add, millions or billions of dollars perhaps to this bill. Can the gentleman devise or think of any way by which the House can insist upon economy such as you advocate here?

Mr. TABER. By voting for the economies; that is the only way. John L. Lewis may be strictly within his rights—

Mr. HOFFMAN. That is, legal rights.

Mr. TABER. John L. Lewis may be strictly within his legal rights, but those legal rights have been established as the result of legislation which was designed to destroy not only the economy of the Nation but designed to destroy the labor unions that he represents.

Mr. HOFFMAN. If the gentleman will permit me to make a correction, I would say "legislation which was designed and which has been so maladministered and so misinterpreted as to destroy—"

Mr. TABER. I think if the gentleman would look back and read some of the discussion that took place when some of that legislation was adopted, it was clearly pointed out that the legislation would have the very effect that it has had. That is what bothers me. The Congress knew and it was pointed out to the Congress what the dangers were in that legislation when it was passed. It is time that the Congress woke up and got rid of that element of legislation which is designed to destroy the opportunities of America and the liberties of America. This bill, so far as it goes in cutting down the expenditure of funds, is a step in the right direction. May I call your attention to the fact that with the prospect of this bill in sight and the hearings going on, in the month of March and April they were piling up a load of Federal employees for this country to pay for, putting more bureaucrats on the Federal pay roll. In the month of March alone they put 1,312 people on. One thousand four hundred and twelve was an increase of a little better than 3 percent in 1 month. An increase of that amount every month for 12 months would be a 36-percent increase. That is about where they would get if we do not stop them. I wonder whether or not this House is going to get back of the committee? I hope when we get all through that we will have administered a blow to this New Deal bureaucracy which is being used to destroy the very liberty of America.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROBSION of Kentucky. What is the amount of carry-over appropriation that is included in this bill?

Mr. TABER. Well, it is not included in this bill, but they are carried over from the previous appropriations, and authority to use them still exists and will exist after the 1st of July, in the amount of about \$230,000,000.

Mr. ROBSION of Kentucky. Has the Department of the Interior ever had that much of a carry-over?

Mr. TABER. Oh, I think they have, but it is such an enormous sum.

Mr. ROBSION of Kentucky. Is there any excuse for having such a carry-over

as \$230,000,000 for a single department of this Government?

Mr. TABER. No; there is none.

Mr. ROBSION of Kentucky. Those increases in the personnel of which you spoke have been in the last year and since the war, have they not?

Mr. TABER. Oh, yes. They have been building up right along. It is about time we put a stop to that building-up process, whereby all of these agencies will have more employees than they had before. We should reduce the employment of our people by the Federal Government from a total at the end of March of 2,873,509 by at least 50 percent right now. There is not any reason in the world why we should not throw 1,400,000 off the pay roll right away and still do all we need to do in looking after the interests of the United States of America.

It is time we got rid of bureaucrats and have the Government by the people instead of by bureaucrats.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, I was amazed and shocked to see the report of the Appropriations Committee on the Department of the Interior appropriation bill presented on the floor of the House. In looking over the recommended reduction below the Budget estimate and even below the amounts appropriated for the fiscal year 1946, I see that under the salaries and expenses item for the Grazing Service it has been cut down to an amount that, if finally approved, would simply be enough to liquidate the Grazing Service and would force the western livestock industry to again return to the uncontrolled and unfair competition that existed prior to the passage of the Taylor Act in 1934. It would eliminate the aid and assistance rendered by the Advisory Boards that are part of this wonderful piece of conservation legislation that was sponsored and urged by the western people as a whole, including the range livestockmen. For the 12 years that the Grazing Service has administered land within grazing districts, under the provisions of the Taylor Grazing Act, it is the first time that legislation has provided that grazing privileges should be equally distributed with the aid and advice of the local people.

There evidently is a misconception in the minds of many Members of Congress regarding the fundamental principles of the Taylor Act—what its purposes are, what the Grazing Service and the Interior Department has done, and what still remains to be done to accomplish the objectives of this great piece of conservation legislation.

The reductions made in the Budget approved appropriation request for the fiscal year 1947 amounting to \$1,504,000 plus \$50,000 for actual fire fighting is a direct reversal to a well-established policy looking to the protection of natural resources and will put the western range livestock industry, one of the main sources of the Nation's meat supply, in



an extremely unenviable position where again uncontrolled, unregulated use would result in the elimination of hundreds of small livestock operations from continued use of range resources with the resultant depletion of the forage cover which is so essential in the prevention of erosion and soil depletion and protection of the vast public investment in downstream irrigation and power development. The report again stresses the statements made in 1933 and 1934 before the passage of the Taylor Act where officials of the Interior Department made certain statements regarding the low cost of administration. It again stresses the same statements that were made by Congressman Ed Taylor, of Colorado, the father of the Taylor Grazing Act and one of its greatest supporters. Yet Congressman Taylor recognized that these preliminary estimates were entirely out of line with the size of the job that had to be done and, in fact, in the last appropriation that he acted on as chairman of the Appropriations Committee for the fiscal year 1942, he recommended appropriations for salaries and expenses of \$800,000, which was an increase of \$25,000 over the budget estimate, and at the same time recommended an appropriation for range improvements of \$250,000; \$751,000 for soil and moisture; and \$75,000 for leasing lands under the Pierce Act. The Grazing Service has not had any so-called mushroom growth. The actual record will show that in 1936 the Grazing Service received, in direct appropriations and money allotted for civilian conservation work which was used properly to carry out objectives of the Taylor Grazing Act, more money than it requested in all its appropriations in 1947 and the size of the job being done by Grazing Service has increased immensely. For example, in 1936 there were only 37 established grazing districts comprising approximately 76,901,000 acres that were utilized by slightly over 15,000 applicants that represented the ownership of some 7,400,000 heads of livestock. At present there are 60 established grazing districts with a total of all land administered—public, State, and privately owned—of almost 146,000,000 acres with grazing privileges distributed to approximately 22,000 operators, who have a total of more than 10,500,000 head of livestock. More than 17,000 of these individual operators have licenses or permits issued to them for 200 or less animal units, and the average size of these small operators is only 55 animal units. There are very few so-called large operators in grazing districts. In fact, the slightly more than 5,000 licenses or permits issued to users who operate more than 200 head of cattle or their equivalent in sheep only run an average size outfit of 557 animal units.

Another point that is worthy of full consideration and seems to be generally misunderstood is the fact that of the money appropriated to the Grazing Service for salaries and expenses only approximately 55 percent goes to the direct benefit of the western range livestockmen and even that portion used in water development and for other range improvements necessary for proper distribution of livestock accomplishes a two-

fold purpose in proper resource utilization and also prevents erosion and soil deterioration and maintains an adequate plant cover so essential in protecting the watershed of the range area that forms a very important part on the over-all watersheds of most of the principal river basins in the West—the Arkansas, the Rio Grande, the Columbia, the Colorado, the Missouri, and the Great Basin. Without adequate appropriations for proper administration of these public resources the local communities, the range livestock industry, and the country as a whole will suffer irreparable loss. Therefore the administration and conservative use of these range lands, their protection from fire, the continued protection of wildlife, are all a direct contribution and an integral part of the conservation plan of the western river basins and the Nation as a whole.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, at the outset may I say, as a retiring member of this Interior Department Subcommittee of the great Committee on Appropriations, that I have thoroughly enjoyed every minute of my association with the distinguished and able chairman, the gentleman from Oklahoma [Mr. JOHNSON], as well as with every member of the committee on both the majority and minority sides. It is a hard-working committee. At times we have widely disagreed, but I know that every member of the committee acted in what he thought to be the best interests of the people of this country.

I was not in favor of cutting this appropriation bill as much as it was cut. I disagreed vigorously, particularly with reference to the item of \$23,333,000 for the Southwestern Power Administration. I was in favor of granting the full amount requested. I felt the same with regard to a number of reclamation projects, the Bonneville Power Administration in the Northwest, the Central Valley project in California, and others.

I would now like to point out some facts concerning some specific items in this bill, matters that were developed during the course of the long hearings.

Earlier today, in referring to the Grazing Service, in a colloquy with the distinguished gentleman from Oklahoma, I misquoted some figures. I want to apologize. I believe I said 80 percent of the livestock on the public range maintained by the Grazing Service was owned by 22 percent of the licensees or permittees, when the accurate figures, exactly as supplied by the Director of Grazing, show that 75 percent of the livestock is owned by 23 percent of the permittees.

The appropriation for the Grazing Service has risen from the amount \$150,000 a year in 1936 until at the present time, including appropriations transferred from and given to other bureaus, it totals almost \$2,500,000 a year.

A while ago a Member in speaking of the Grazing Service referred to the plight of the livestock owner in the West. On page 168 of the printed hearings you will find that in the year 1936 at the time shortly following the inception of the Grazing Service, when the grazing

fees were fixed at 1 cent per month for sheep and 5 cents per month for cattle, the price of lambs was \$7.45 and the price of beef cattle \$5.73. At the present time, although there has been no increase whatever in these grazing fees, the price of lambs is \$12.90 and of beef \$12.10.

I wish to further point out that this is not a matter wherein we are trying to harm the small rancher of the West. The members of the advisory boards of the Service are paid \$5 a day by the Government to meet and tell the Grazing Service that the ridiculously low grazing fees must not be increased. On top of that, Uncle Sam must pay the cattle barons for attending the meetings so as to keep down the fees.

One owner of a herd consisting of 30,300 head of cattle, 1,000 head of horses, and 17,500 sheep, the Utah Construction Co., had a member on the advisory board to oppose the increase of these grazing fees, although they really should be increased to an amount three, four, five, or six times what they are at present, which increase would only be fair for the elaborate service rendered by the Government.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. Not at the moment.

Then we have another small outfit. The Chewacan Land & Cattle Co., having a herd of about 10,000 cattle, also had a member on one of these advisory boards to tell the Government we must not increase the fees. These livestock owners had the temerity to come along this year and not only ask \$5 a day for the agents who attend these meetings but to tell us we must raise the attendance fee to \$6 a day.

The next item in the bill to which I shall refer is the matter of a beautiful site in the State of California known as Yosemite National Park, operated by our National Park Service. I traveled to the west coast and to Alaska as a member of this subcommittee last summer and found the trip entirely interesting and very, very informing so far as my duties on the committee were concerned. We arrived at this beautiful spot consisting of some three-quarters of a million acres of Federal land and found that this huge development has been run entirely for the benefit of a corporate concessionaire known as the Yosemite Park & Curry Co. Eighty percent of the people who visit this park are Californians. We found hotels, permanent lodges, and camps, all operated by the concessionaire; we found Camp Curry, Yosemite Lodge, Housekeeping Camp, and Merced Lake High Sierra Camp.

Camp Curry has a capacity of 1,300 guests. There are 100 bungalow rooms with private baths, 90 cabins without baths, and 425 tents in Camp Curry.

We found a number of so-called central buildings which include an office, dining room, cafeteria, swimming pool, soda fountain, photographic studio, auditorium, and children's playground. There was a large dance hall which had a capacity in the neighborhood of a thousand people.

A person can get a bungalow with bath, American plan, one person in a

room, for \$8.75 a night. If he wants a wooden cabin without bath, American plan, one person in a room, it is \$6.75. If he wants to stay out in a canvas tent it only costs him \$2 for the night. If he would like to eat breakfast, luncheon, or dinner at Camp Curry, the rate approved by the National Park Service is \$1.25 for either one of these three meals. If he is a transient and wants to eat dinner at Camp Curry, it merely costs him \$1.50.

Another group of buildings known as Yosemite Lodge is a colony of redwood cabins with a central group of buildings, including cafeterias, grill, office, dining room, curio shop, and lounge. In the summer season the capacity is 700. The Merced Lake High Sierra Camp has a capacity of 60 people.

Here are a few of the things this concessionaire sells in Yosemite Park: Candy, tobacco, fishing tackle, knapsacks, hiking clothes, and so forth. They operate a saddle horse service, not only by horses but by burros. They furnish guides and pony rides for children and they give riding lessons. They arrange saddle trips to various points of interest. They run a stable and a blacksmithing service. They also run a kennel service for dogs and cats. They have a number of garages, and do automobile repair work. They have a group of the busiest gasoline stations in the entire State of California located on this Government property. They sell groceries, meats, and general merchandise. They have a number of general stores there. They run a laundry service. If you want your suit pressed it costs you only 60 cents. They have a number of barber shops where it costs only a half dollar for a shave. If you want a shampoo it is \$1. If you would like to have a cold wave in one of their beauty shops it is only \$15. If you want your shoes shined, only 15 cents. They have a number of swimming pools where it costs 40 cents to go in and have a swim. They have a dance hall where they charge 50 cents per person on special and costume nights and less on ordinary nights during the week. They operate moving-picture shows. The price of admission is 35 cents to 50 cents. They operate a kiddie camp. They are also in the business of renting equipment, such as umbrellas, raincoats, jeans, shoes, knapsacks, tennis rackets, fishing rods, reels and lines, rowboats, winter sports equipment, and so forth. You can hire a rowboat at 50 cents an hour and you can get yourself a lesson at the ski school for \$2.

They have a ski lift at Badger Pass where it costs only 25 cents for a single ride up the lift. If you want to take the bus to Badger Pass it is \$1.50. They also have a 3,000-yard golf course with a par of 35 and a green fee of \$1. They rent bicycles by the hundreds at only 35 cents an hour.

Mr. Chairman, this friendly concessionaire's business has amounted to \$2,900,000 a year gross, almost \$3,000,000 a year. Now, how much do you think Uncle Sam gets out of it?

Before I tell you the huge amount, I want you to know that Uncle Sam maintains the roads in this park in tip-top condition, he supplies the light and power, he illuminates the drives through

the park, he has a garbage removal service, he supplies police protection as well as forest fire protection and fire protection generally. Out of this very nice business of \$3,000,000 a year, and after supplying all of these items I mentioned, our Uncle Sam has gotten the magnificent sum of \$5,000 a year.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from California.

Mr. JOHNSON of California. I am not familiar with all the details of this, but I happen to know one of the members of the family that rents this place. Did they not invest their own money in the buildings there, and if they did, at the end of the contract, which I understand is 20 years long, will those buildings revert back to the United States Government?

Mr. ROONEY. They will not. The concessionaire must be repaid their value. The family did invest some money in the properties, but it must have been returned to them years ago.

The concession contract was entered into in 1932, in the closing months of the Hoover administration. The then Secretary of the Interior, the Honorable Ray Lyman Wilbur, former president of Leland Stanford University, executed that contract with this concessionaire corporation, the majority of the stock of which is owned by the family of the present president of Leland Stanford University, Mr. Don Tresidder. The stock is closely held, 147,842 shares out of 340,414 shares are owned by the Tresidder-Curry family. There are any number of items taken out for salaries, substantial salaries, and dividends declared in 1944 netted the family \$162,626.20 while Uncle Sam held his coattails.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to my friend from California.

Mr. JOHNSON of California. Is it not a fact that when the 20-year period is up that those buildings that are there will then become Government property?

Mr. ROONEY. That is not so.

Mr. JOHNSON of California. Are they of such a nature that they can be removed?

Mr. ROONEY. Uncle Sam, under the terms of the contract, is in a position where he must obtain a new concessionaire who will purchase the buildings from the present concessionaire. It is a finely drawn contract insofar as the concessionaire is concerned. Otherwise the Government must renew the contract.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Idaho.

Mr. DWORSHAK. Does the gentleman from New York know whether a similar contract is in effect with concessionaires in other national parks?

Mr. ROONEY. Yes. The same situation apparently exists in any number of other parks throughout the West. The situation at Yellowstone Park is no better.

During the course of the war one of the buildings on this Federal land at

Yosemite Park, known as Ahwanee Lodge, was given to the Navy Department for occupancy as a naval hospital. The concessionaire, the Yosemite Park & Curry Co., first approached and attempted to charge the War Department for an Army Air Force rest camp a rental of eighty-five-thousand-odd dollars a year. Finally, the Navy Department took it over under condemnation by way of leasehold interest and has paid the concessionaire to the extent of \$60,000 a year pending final determination of a fair rental during the term of occupancy by the Navy Department. The Navy Department sent appraisers out to the property, one of whom made an appraisal showing the fair annual rental value of the building alone, without regard to it being on Federal land, to be \$42,000-plus a year. Upon our return from the west coast last summer I communicated with Capt. Andrew J. Murphy, Jr., head of the Real Estate Department of the Bureau of Yards and Docks, Navy Department, and informed him concerning Uncle Sam's utopian relationship with this concessionaire. I believe that since that time further payments have been held up. I trust that as a result of the action of this committee something will be done so that the rights and best interests of Uncle Sam will be considered to some extent at least in the future and not permit concessionaires to do a \$3,000,000 annual business on the people's land with a return of only \$5,000 to the Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ROONEY. One matter that is unanimously recommended by the committee, if you will note, is that upon the expiration of concessionaires' contracts with the National Park Service there should be a public letting; that there should be no private arrangements with distinguished families from the State of California or elsewhere. They should be widely published in the newspapers, and the man or men who will give reasonable and adequate service to the public and pay the highest price for the privilege should be awarded the contract or leasehold in our park system.

Another item that I came across during the course of the hearings is the matter of the care of the insane of Alaska. I call your attention to it so that you will insist that it be rectified during the course of the next few months or this next year. Although Uncle Sam has paid to maintain since September 1943, over 1,000 mental patients at Morningside Hospital in Portland, Oreg.—mind you, under the present system they are brought all the way down from Alaska to Portland, Oreg., at the expense of the United States Department of Justice—that although he has spent \$864,000 since September 1943 for the maintenance of these mentally sick persons, and although the law says that the guardian, spouse, parent, or adult children of the insane person, or the patient himself, is responsible to contribute toward the care and maintenance of these people while they are in



this institution, the Department of the Interior, Division of Territories, has during that time collected the measly sum of \$16,441.79 to apply against an expense of \$864,000.

Finally, with regard to the Southwestern Power Administration, on page 29 of the report of the committee on the pending bill there is a statement that the committee does not favor the initiation of a power-development program, and so forth. I was and am unalterably opposed to that contention, and was in favor of granting the entire amount requested by the Administrator of Southwestern Power Administration.

Who are the opponents of this plan of the Southwestern Power Administration? The utility holding firms from Wall Street, New York, and Chicago. In the instance of its principal opponent, the Arkansas Power & Light Co., their financial backer and real owner is the Electric Bond & Share Co., of New York City. Electric Bond & Share Co. takes the cream off the top of the milk by seeing that the Arkansas Power & Light Co. hires as its service organization to do so-called engineering, to handle the insurance, and to do all the nice things which will inure in revenue to their credit, to their subsidiary and service company, Ebasco Services, Inc. Do the people down in Arkansas and the other States which are involved—Oklahoma, Texas, Mississippi, and Louisiana—think that these utilities are their companies? Do they think that the officers of these companies, such as the president of the Arkansas Power & Light Co., getting \$40,000 a year and some \$3,000 or \$4,000 a year in expenses, and the presidents of the other companies, are really just their nice, kind neighbors, vitally concerned with the people's welfare?

The fact of the matter is that these same companies opposed the original building of Denison, Norfolk, and other dams. When they did not succeed in that, they opposed the electrification of these dams. Now they would have us in the position where the public, having invested an enormous amount of money in these dams and in other dams that are in process of construction or planning, would not be able to tie together their own properties, with the result that Uncle Sam must sell his developed power only to one customer, the Arkansas Power & Light Co. and its affiliates. I can assure you, if you will read the testimony in part 3 of the hearings, that these private utility companies have a very dubious and shady background.

To show you how generous they are and how nicely they do business solely for their Wall Street owners, may I point out to you one instance. At page 378 of part 3 of the hearings I questioned Mr. C. Hamilton Moses, the president of Arkansas Power & Light Co., with regard to a written agreement.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. ROONEY. I thank the distinguished gentleman very much.

On the 20th of February 1945 an agreement was entered into in writing between the Arkansas Power & Light Co. and the United States of America, represented by the Southwestern Power Administration. Although that agreement in no uncertain language stated that—

The Arkansas Power & Light Co. will reduce, effective 60 days after the execution of this agreement (and will continue the reduction thereafter for the duration of this agreement) its present rate of charges for electric service to the United States, its agencies, and industries, or activities financed in whole or in part by the United States (excepting REA cooperatives) so as to effectuate a total reduction to such customers of at least \$150,000 annually—

They have never paid one nickel, or rather, remitted one nickel in their power bills so as to effectuate this contemplated saving.

I am sick and tired of seeing so many instances in connection with the Bureau of Reclamation, the Bonneville Power Administration, and the Southwestern Power Administration, where these greedy private utility firms are victimizing the Government of the United States, their own stockholders, and their customers, the people to whom the public power is furnished.

I am sick and tired of seeing instances where the Government agencies have no alternative but to sell their power at the bus bar for 4 cents a kilowatt hour to these private utilities and then find that the same power is resold to Uncle Sam at many places such as Army installations, the Alameda Air Base, or Mare Island Navy Yard, for 11 or 12 cents a kilowatt hour. We have a splendid opportunity when amendments are offered tomorrow with regard to the appropriation for Southwestern Power Administration to say to these people who are not in the least interested in flood control but who are only interested in their selfish profit gained by the purchase and sale of the people's power, "We are sick and tired of you, gentlemen, the time has come when the people's dam built with the people's money shall produce power for the people at fair and decent rates, and not for your or Wall Street's private gain."

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Chairman, the gentleman from New York and the gentleman from Oklahoma have taken great pains to explain to the people of the country the fact that the livestock men of the West are imposing on the Government through the Taylor Grazing Act. I dispute that. I do not think the House nor the country knows the situation with reference to our public lands.

Wyoming, with its 62,403,480 acres, is one of the largest States in the Union. It exceeds in size the whole of England, Scotland, and Wales combined.

We have within our borders an area of land larger than the entire State of New York, which is not Wyoming at all. The United States owns the oil and other minerals under 42,000,000 of Wyoming's 62,000,000 acres. It owns both the minerals and the surface of 32,055,721 acres of our lands, being over 51 percent of its

vast area. In truth, over 70 percent of our State is actually "Wyoming territory" and judged by the standards of its older sister States, Wyoming is but a trifle over a quarter-State.

We have within our borders an area of land larger than the entire State of New York, which is not Wyoming at all. The total area of land in the 11 public-lands States is about 742,000,000 acres, of which the Federal Government owns and controls and manages 444,000,000 acres, or approximately 59 percent, 90 percent of the public domain lies within the 11 Western States.

As may be seen Wyoming is not equal with the older States of the Union. In the debates in the Federal convention it was intended that all States be of equal rank as may be seen by the following:

Mr. Madison opposed the motion; insisting that the Western States neither would, nor ought, to submit to a union which degraded them from an equal rank with the other States.

Col. George Mason, of Virginia, said:

The case of new States was not unnoticed in the committee; but it was thought, and he was himself decidedly of opinion, that if they made a part of the Union, they ought to be subject to no unfavorable discriminations. Obvious considerations required it.

Speaking on public lands shortly after the formation of the Union, Senator Benton declared:

Tenantry is unfavorable to freedom. It lays the foundation for separate orders in society, annihilates the love of country, and weakens the spirit of independence. The tenant has, in fact, no country, no hearth, no domestic altar, no household god. The freeholder, on the contrary, is the national supporter of a free government, and it should be the policy of republics to multiply their freeholders as it is the policy of monarchies to multiply tenants. We are a republic, and we wish to continue so: Then multiply the class of freeholders; pass the public lands cheaply and easily into the hands of the people; sell for a reasonable price to those who are able to pay; and give without price to those who are not.

It is interesting to note an early report in the Senate on the public land question. The Public Lands Committee of the United States Senate in 1832 made a report after a complete survey favoring the ceding of the lands by the Federal Government to the States wherein the lands lay. In part, the report stated, as follows:

Our pledge would not be redeemed by merely dividing the surface into States and giving them names. The public debt being now paid, the public lands are entirely released from the pledge they were under to that object, and are free to receive a new and liberal destination for the relief of the States in which they lie. The speedy extinction of the Federal title within their limits is necessary to the independence of the new States, to their equality with elder States, to the development of their resources, to the subjection of their soil to taxation, cultivation, and settlement, and to the proper enjoyment of their jurisdiction and sovereignty.

In the early days of the Republic it was agreed that the public lands belonged to the people and not the Federal Government. In 1836 the public debt

was retired and there was over \$28,000,000 in the Treasury. It was argued that inasmuch as most of the money came from the proceeds of public land sales that it belonged to the people and should be returned to the individual States. Accordingly there was deposited with the several States the following sums, divided as follows:

Maine.....	\$955,838.25
New Hampshire.....	669,086.79
Vermont.....	669,086.79
Massachusetts.....	1,338,173.58
Connecticut.....	764,670.60
Rhode Island.....	382,335.30
New York.....	4,014,520.71
Pennsylvania.....	2,867,514.78
New Jersey.....	764,670.60
Ohio.....	2,007,260.34
Indiana.....	860,254.44
Illinois.....	477,919.14
Michigan.....	286,751.49
Delaware.....	286,751.49
Maryland.....	955,838.25
Virginia.....	2,198,427.99
North Carolina.....	1,433,757.39
South Carolina.....	1,051,422.09
Georgia.....	1,051,422.09
Alabama.....	669,086.79
Louisiana.....	477,919.14
Mississippi.....	382,335.30
Tennessee.....	1,433,757.39
Kentucky.....	1,433,757.39
Missouri.....	382,335.30
Arkansas.....	286,751.49

Total.....\$25,101,644.91

Speaking at the time Senator Hayne declared in the debate on the Foote resolution:

In short, our whole policy in relation to the public lands may perhaps be summed up in the declaration with which I set out, that they ought not to be kept and retained forever as a great treasure, but that they should be administered chiefly with a view to the creation, within reasonable periods, of great and flourishing communities to be formed into free and independent States; to be invested in due season with the control of all lands within their respective limits.

Nine hundred and ninety-two million seven hundred and one thousand four hundred and forty acres were added to our public domain by the following purchases: Louisiana Purchase, 529,911,680 acres; Florida Purchase, 32,332,160 acres; Mexican Purchase, 324,993,280 acres; Texas Purchase, 70,955,520 acres; and Gadsden Purchase, 14,508,800 acres. The cost of all of these purchases was \$73,757,389.98. I should like to call attention to the fact that the United States has received in royalties from oil and gas produced from the public domain in Wyoming, for the past 25 years, the total sum of \$85,000,000, which sum is in excess of the amount paid by reason of the purchases above mentioned, and is itemized as follows:

Fiscal year:	Receipts
1945.....	\$3,841,038.57
1944.....	4,474,365.24
1943.....	2,325,403.05
1942.....	2,674,919.39
1941.....	2,081,507.37
1940.....	1,742,103.97
1939.....	1,715,298.60
1938.....	1,679,357.71
1937.....	1,503,743.29
1936.....	1,307,803.54
1935.....	1,391,220.92
1934.....	1,134,711.74
1933.....	1,224,017.37

Fiscal year—Continued	Receipts
1932.....	\$1,435,109.81
1931.....	2,184,422.88
1930.....	3,274,459.06
1929.....	2,835,871.32
1921-23.....	536,796.79
1928.....	2,940,091.00
1927.....	5,097,775.42
1926.....	6,883,125.55
1925.....	6,953,501.44
1924.....	12,270,500.75
1921-23.....	13,813,560.49
Total.....	85,320,705.27

Shortly before the passage of the Taylor Act, it was proposed to transfer lands now administered under that act, to the various States in which they lie.

A committee consisting of the then Secretary of the Interior, the Secretary of Agriculture as well as James A. Garfield, a former Secretary of the Interior, and 19 other eminently qualified men studied the question of the disposition of the remaining public lands, and on January 16, 1931, made their unanimous report to the President of the United States, reporting among other things that—

All portions of the unreserved and unappropriated public domain should be placed under responsible administration or regulation for the conservation and beneficial use of its resources \* \* \* that the remaining areas, which are valuable chiefly for the production of forage, and which can be effectively conserved and administered by the States containing them, should be granted to the States which will accept them.

We have over 1,000,000 cattle in the State of Wyoming but only 163,865 run for a few months each year on the 17,000,000 Taylor grazing acres in our State. On the other hand, we have over 3,000,000 head of sheep and a half of these sheep are grazed for a few months on these lands. In the 10 western public land States, 8,482,376 sheep are permitted to graze, whereas only 1,990,270 cattle are permitted within these grazing districts. From this it can be seen that the livestock running on Taylor grazing lands are predominantly sheep rather than cattle.

The preamble of the Taylor Grazing Act provides among its objects:

to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes.

The Tariff Commission reported in January, 1945 that the wool growers of this country lost 10 cents on every pound of wool produced in 1944.

The result of the increasing disparity between livestock market prices and the ranchers' operating costs has been to place the range livestock producers in a less and less favorable net-earnings position. A study of production costs in the sheep industry of the Western States by the United States Tariff Commission for the 5 years 1940 to 1944, disclosed that the highest net earnings were attained in 1942, when the profit was \$1.14 per head of sheep. The following year there was a net operating deficit of \$0.12 per head; and in 1944 the net loss was \$1.22 per head.

Little wonder that the sheepmen were liquidating their herds and going out of business, as is shown by the following:

*Decline in numbers of stock sheep on farms and ranches in 11 Western States, and in the United States, Jan. 1, 1942, to Jan. 1, 1946*

[In thousands]			
States	1942	1946	Percent decrease
Arizona.....	752	561	25.4
California.....	2,977	2,078	30.2
Colorado.....	1,889	1,570	16.9
Idaho.....	1,858	1,192	39.1
Montana.....	3,853	2,490	35.4
Nevada.....	732	577	21.2
New Mexico.....	2,103	1,581	24.8
Oregon.....	1,577	881	44.1
Utah.....	2,470	2,032	17.7
Washington.....	583	350	40.0
Wyoming.....	3,654	2,069	27.0
11 Western States.....	22,448	15,981	28.8
All States.....	49,807	37,517	24.7

The total number of stock sheep on farms and ranches has decreased during the past 4 years from 49,807,000 to 37,517,000, or 24.7 percent. In the 11 Western States the decline has been from 22,448,000 to 15,981,000, or 28.8 percent.

A committee in the Senate, which has held exhaustive hearings on this problem recently, made a report, part of which is as follows:

This committee finds that—  
The livestock industry using the grazing districts is in a deficit net-earnings position, facing great uncertainties in the immediate future, and not prepared to absorb higher grazing fees.

The sheep and wool producing industry is already in process of drastic liquidation.

No increase in grazing fees can be justified at this time, nor until a careful and unbiased study of the factors involved has been made.

If grazing fees are to be based on administration costs, users should have a voice in limiting these costs and in restricting services involved to those desired by them.

The condition of the sheepmen of this country is so serious that recently the President of the United States proposed that legislation be enacted to alleviate their condition. A copy of the letter is as follows:

MARCH 11, 1946.

DEAR SENATOR O'MAHONEY: On January 5, 1946, you sent me a memorandum on wool in accordance with a suggestion I had made to you at a conference on the subject. In your memorandum you suggested that I request the interested agencies of the Government to confer and to prepare a wool program. Such a program has now been prepared and is attached. It represents the considered views of the administration on the best methods for solving a serious and difficult problem.

Your committee will, of course, be able to call on the interested agencies for any desired assistance in your further studies of the wool situation or in drafting appropriate legislation.

I trust that the Congress will find that this proposed wool program constitutes a sound and adequate basis for constructive legislation.

In closing I wish to express my agreement with you that cooperation between the Executive and the Congress is essential to the establishment of an effective wool program.

Sincerely yours,

HARRY S. TRUMAN.



It certainly does not seem to me to make sense to talk about increasing grazing fees when we are subsidizing the consumers of this country to support the production of beef and mutton, and at the same time to add to the costs of production of both beef and mutton by raising grazing fees.

The gentleman from Oklahoma asked me earlier in the debate if I considered the present fee of 5 cents per head per month for cattle and 1 cent per head for sheep as reasonable. I wanted at that time to explain to him that these lands were the least desirable of any of the lands in the whole West. I want to tell you about these lands. Do you know what they are worth? They are the worst possible lands in the whole West. They are the lands that nobody would homestead. Now you compare them to the forest lands, you compare them to the State lands, and you compare them to the private lands. Let me tell you there are acres and acres of Taylor grazing land that would not feed a canary.

The Director of Grazing of the Department of the Interior made the following statement in regard to these lands:

Lands in grazing districts are chiefly the poorer quality lands that were unattractive for private ownership under our homesteading laws. . . . For the most part they are of relatively low grazing capacity. Nevertheless, they play, usually in connection with privately owned, State, or other Federal lands, an important part in the great livestock-producing industry of the Western States.

The president of the American National Live Stock Association testified at the committee hearing in Albuquerque that in New Mexico, in his judgment, the "State land is worth one and one-half times as much" as the Federal range. He explained this in part as follows:

We consider it—the Federal range—the least-best land. The homesteaders took the first and best lands, according to their way of thinking. The State took the second best, and the lands remaining are the lands least productive from the standpoint of being developed to where you have water. I don't say it does not grow as much grass when we have ample rains, but your returns will be less, due to the factors that enter into the operation.

At the same hearing, the commissioner of public lands for the State of New Mexico made this statement:

I would say the selected State lands would be about three times the grazing value of other grazing lands.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I might say that in my opinion you were not quite fair, when you talked about the big stock growers who ran their livestock on these Taylor lands.

Mr. ROONEY. Will the gentleman yield?

Mr. BARRETT of Wyoming. In just a moment I will yield. You had some figures from the Grazing Service and they show there was one man in the United States that is running 30,000 head of cattle, a thousand horses, and 17,500 head of sheep, but I might remind you there are 17,000 different permittees who are

running but 200 head of cattle or 1,000 head of sheep on these ranges.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. Yes; I yield to my distinguished colleague from New York.

Mr. ROONEY. Does the gentleman dispute the fact that 23 percent of these permittees own 75 percent of all the stock? Does the gentleman dispute that?

Mr. BARRETT of Wyoming. What does the gentleman want to do about it? Does he want to socialize the livestock industry?

Mr. ROONEY. If you do not want to answer, that is your privilege.

Mr. BARRETT of Wyoming. I will say to you, that is precisely the same distribution of size classes in the industry as a whole.

Mr. ROONEY. I merely asked the gentleman from Wyoming whether or not that was a fact, that 23 percent of the permittees own 75 percent of the stock.

Mr. BARRETT of Wyoming. It is true that we have a few large operators, but that is true in many industries. We have many large operators running on private lands also. You must run a certain number of cattle or sheep to operate economically.

Mr. ROONEY. Will the gentleman yield further?

Mr. BARRETT of Wyoming. I yield.

Mr. ROONEY. Is it not a fact that at page 167 of the hearings it is shown that the Utah Construction Co., the owner of 30,000 head of cattle, a thousand horses, and 17,500 sheep, was one of the members of the advisory board?

Mr. BARRETT of Wyoming. Yes. Let me tell you about that.

Mr. ROONEY. Will the gentleman tell me where I am in error in any one statement that I made when I had the floor?

Mr. BARRETT of Wyoming. You left the House under the impression, by implication, that there were many large operators. There is not another stockman in the country that runs half as many head of stock as the one you mentioned. The fact that he has a man on the advisory board does not spell anything, because many of these stockmen put a great deal of their own money into improving these public lands. They are improving their own grazing districts to make them halfway decent grazing lands.

Mr. ROONEY. Does the gentleman realize how much Federal money has been spent since 1936 in improving this range land through the Civilian Conservation Corps camps which we had?

Mr. BARRETT of Wyoming. Oh, that does not mean anything, the CCC worked all over the country. They worked in New York, too.

Mr. ROONEY. I believe the figure runs into some \$10,000,000.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my distinguished colleague.

Mr. GRANGER. Would it not be just as reasonable to ask the gentleman from New York how much money has been spent on the harbor of New York by the Federal Government—it has paid the

whole bill—and yet a lot of big shipping owners operate there and do not pay anything for it?

Mr. BARRETT of Wyoming. Exactly so.

Mr. ROONEY. I trust the gentleman is not sincere in his analogy.

Mr. BARRETT of Wyoming. I do not yield to the gentleman from New York. If he recalls he would not yield to me.

Mr. ROONEY and Mr. GRANGER rose.

Mr. BARRETT of Wyoming. I yield first to the gentleman from Utah.

Mr. GRANGER. Is it not true that it was the Congress of the United States which in the passing of the Taylor Grazing Act put into effect one of the most democratic things under its administration that has ever been done, by requiring the service to be operated by the local people by the creation of these so-called local boards about which they are talking?

Mr. BARRETT of Wyoming. That is exactly right.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. JONES. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. ROONEY. Mr. Chairman, will the gentleman yield at that point?

Mr. BARRETT of Wyoming. Unless the gentleman can get me some time on that side I cannot yield. The gentleman made his speech and although he has had 15 minutes did not yield to me.

Mr. ROONEY. I have not been making a speech; I have asked a question every time I asked the gentleman to yield.

Mr. BARRETT of Wyoming. The gentleman refused to yield to me, he will recollect.

Mr. ROONEY. If I had had more time I would have yielded.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my distinguished colleague.

Mr. MURRAY of Wisconsin. I wish to ask the gentleman from Wyoming if it is not a fact that if it also were not for these bucket-shop operations that are being carried on by the Commodity Credit Corporation in regard to wool he would be in much worse shape than he is at the present time? There is no indication that is going to be a permanent set-up. Is that right?

Mr. BARRETT of Wyoming. That is correct.

Mr. MURRAY of Wisconsin. In other words, we will not have any sheep at all in this country mighty soon. It will come to the point that if we want to show sheep to our children we will have to take them to the zoo if they continue the policies that have been followed for the last 10 years.

Mr. BARRETT of Wyoming. The gentleman is right. Our sheep population has declined 12,000,000 head during the war. Our labor costs have more than doubled. Our costs of production have increased tremendously. Our sheep men can barely hold their heads above water.

In addition to all their other worries, the cattlemen of the West have a great and justified fear of hoof-and-mouth disease among their herds. J. Elmer

Brock, one of the leading cattlemen of my State, wrote the following letter to the Christian Science Monitor:

**LOSING BEEF UNNECESSARILY**

To the Christian Science Monitor:

Your editorial, "The U. S. Needs Argentine Beef," has been sent to me at the request of the head of the department of animal husbandry of a western State university. It is suggested that I write you because of my first-hand knowledge of foot-and-mouth disease. In 1941, I visited Brazil, Uruguay, and the Argentine. I gave special attention to foot-and-mouth disease and talked with the leading scientists on animal diseases in all three countries. I saw many thousands of cattle, and almost without exception they either had the disease in the active stage or showed they had been afflicted, though the disease might then be dormant.

I went clear down into the Province of Santa Cruz, which joins the Strait of Magellan. I feel I can say advisedly there is no area in any of the three countries I visited that is not infected with hoof-and-mouth disease or exposed to recurrent outbreaks.

Argentine beef is mostly all fattened on alfalfa pasture and is soft and flabby. It does not even compare favorably with our own domestic beef from cattle fattened on the range in the shortgrass country, much less our grain-finished beef.

We are today losing billions of potential pounds of beef unnecessarily. First, the industry is hampered by conflicting and vacillating administrative regulations. Second, while housewives are urged to save every spoonful of fat and carry it to the butcher shop for the production of explosives, neither the military nor the lend-lease want fat beef. As a result, large numbers of grass yearlings were sent to the shambles last year at 600 to 700 pounds, that should have been finished on grain and have weighed 1,500 pounds.

J. ELMER BROCK,  
BROCK LIVESTOCK CO.

KAYCEE, WYO.

And in connection with the matter, I desire also to insert two letters which I have received on the same subject:

UNITED STATES DEPARTMENT  
OF AGRICULTURE,  
BUREAU OF ANIMAL INDUSTRY,  
Washington, D. C., April 16, 1946.  
HON. FRANK A. BARRETT,  
House of Representatives.

DEAR MR. BARRETT: In response to the request in your letter of April 10, addressed to Dr. Fladness of this Bureau, we are pleased to give you the information concerning outbreaks of foot-and-mouth disease in Great Britain during the 5 years ended December 31, 1945, which was contained in letters to Mr. F. E. Mollin, executive secretary, American National Live Stock Association.

According to our records which are based on official reports of the British Ministry of Agriculture and Fisheries the following numbers of outbreaks of the disease were experienced in Great Britain during the years mentioned:

1940.....	119
1941.....	269
1942.....	671
1943.....	37
1944.....	145
1945.....	127

According to a published statement there had been 122 outbreaks of foot-and-mouth disease in 1945 up to November 15 of which about 60 were primary. A primary outbreak is one resulting from an original introduction of the infection from outside the country. Other outbreaks result from a spread of the infection from such original centers.

In other words, the figures given just above indicate that in about 10 months in 1945 foot-and-mouth disease infection was introduced into Great Britain from outside on about 60 different occasions. It is our understanding that susceptible animals from infected countries are not permitted importation into Great Britain. The statement mentioned above therefore is significant as indicating the danger involved in the importation of products that are known to be favorable media for transmission of the causative virus. Of such products, of course, chilled or frozen fresh meats are recognized to be the most dangerous.

Very truly yours,

B. T. SIMMS,  
Chief of Bureau.

THE STATE OF WYOMING,  
LIVESTOCK AND SANITARY BOARD,  
Cheyenne, Wyo., May 1, 1946.  
The Honorable FRANK A. BARRETT,  
House of Representatives,  
Washington, D. C.

DEAR MR. BARRETT: My attention is called to the fact that certain shipments of bulls from Brazil to the Republic of Mexico have been made and that these shipments apparently are in violation of a treaty between the United States and Mexico.

As I understand it, in the treaty to which I refer, Mexico has agreed not to make any importations of livestock from any country where foot-and-mouth disease exists, and, of course, the obvious purpose of this treaty is to protect the United States from an outbreak of this disease which might be caused by importing from Mexico livestock which originated in such countries or have been exposed to animals which have so originated.

I am informed also that our own Bureau of Animal Industry is much concerned over the situation and reports that at least two shipments have been made from Brazil to Mexico—the last one being of 327 bulls shipped on about the 10th of April.

In the past few years we have had several lots of cattle imported into the State of Wyoming from Mexico, and this department is very much concerned lest foot-and-mouth disease finds its way into Wyoming by way of Mexico. I, therefore, earnestly request that you inquire into the facts, directing your inquiry first to Dr. B. T. Simms and Dr. S. O. Fladness, in the Bureau of Animal Industry, Washington, D. C., and if you find the facts to be as reported, that you earnestly protest on behalf of Wyoming to the State Department.

As you are no doubt aware, foot-and-mouth disease is an insidious disease which spreads very rapidly once it has gained foothold in this country, and we believe that most strenuous effort should be made to block every avenue through which it might gain entrance.

Very truly yours,

G. H. GOOD,  
Executive Officer.

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a question?

Mr. BARRETT of Wyoming. I yield.

Mr. ROONEY. How many of the ranch owners out there, including the gentleman, are interested in further subsidies by the Government? You have a subsidy from the Grazing Service, you have another subsidy—

Mr. BARRETT of Wyoming. I want to say to the gentleman from New York that we have always opposed subsidies. Subsidies on beef and mutton have been paid but these were paid for the benefit of the consumers. We have never been subsidized on this Taylor grazing, I assure you.

Mr. ROONEY. But did they not pay out a subsidy—

Mr. BARRETT of Wyoming. These very same lands that are in the Taylor grazing districts of Wyoming produce oil in many cases and the Government received on an average of \$4,000,000 royalty the last 2 years.

Mr. ROONEY. Of \$170,000 a year at first, and they ran it up to \$2,500,000 of the taxpayers' money. Does the gentleman say that is not a subsidy?

Mr. BARRETT of Wyoming. I will say to the gentleman that for the fiscal year 1945 the fees collected in Wyoming amounted to \$101,433.11:

50 percent of fund to Wyoming..	\$50,716.58
25 percent of fund to range improvement.....	25,358.28
25 percent of fund to Federal Treasury.....	25,358.28

**Funds allotted to Wyoming:**

Salaries and expenses (8 percent of total allotted to all States).....	64,889.00
Less amount covered into Treasury.....	25,358.28

Net loss..... 39,530.72

Now you can offset that loss of \$39,000 with the \$4,000,000 income in oil royalty from the same lands.

The CHAIRMAN. The time of the gentleman from Wyoming has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia [Mr. BLAND].

**DECREASED APPROPRIATIONS—COMMERCIAL FISHERIES WORK**

Mr. BLAND. Mr. Chairman, it is with great regret that I have learned the appropriation for commercial fisheries work both in the States and in Alaska have been decreased materially below budget estimates by action of the Appropriations Committee.

I feel that I need not go into detail in explaining to you the importance of our fisheries in supplying men and craft for our national defense nor do I need to deal minutely with the historical and current aspects of fisheries and their implications in our international relations. You are well conversant with these facts.

The fishery industries have never had adequate Federal assistance in the solving of their problems nor has there been given consideration to the importance of this immense natural resource in the form of appropriations that the resource merits to the Nation. Based on Federal expenditures for each fisherman as compared with each farmer, or each unit of sea food captured as compared with each similar unit of land food harvested, our fisheries never have been given more than a fraction of the consideration that has been given to agriculture. Yet our fisheries can be and should be one of our most promising future sources of foods, animal feeds, oils, chemicals, and other products of the arts and industries. The source is self-perpetuating if properly managed.

The possibilities for obtaining new sources of products of commerce from the fisheries are great but research is



needed. The fisheries are an industry of small units that cannot finance extensive research of their own. This fact has caused these industries to be slow in their progress toward efficiency in the capture, handling, processing, and marketing of their products. However, during the past year there has been a most gratifying indication of the unification of the many diverse interests of the fisheries. I mean by that the development of a strong national association of commercial fisheries people. This was accomplished by the National Fisheries Institute. On the 25th, 26th, and 27th of last month I attended the first annual convention of that Institute and was impressed beyond measure in the enthusiasm of the nearly 1,000 registrants at the convention. I was interested in their plans, their ideals, and in the series of resolutions developed by their resolutions committee. Many of these resolutions had as their subject the conduct of additional research and services to be provided by the Federal Government to make this forgotten industry more nearly comparable in its efficiency of operation to that other great food industry—agriculture.

Thus, as I indicated in my introductory remarks, it is with genuine regret that I, as chairman of the Merchant Marine and Fisheries Committee, must report to our fishery industries that added appropriations to assist them in their problems at this time when aid is so greatly needed have either been denied or severely curtailed.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, as I said in a 1-minute speech made at the opening of the session today. I am greatly disturbed over this bill. The general import and probable effect of the bill is this: It tends toward selling the West short. About the turn of the present century certain of our great political leaders saw that our heritage as a nation was being wasted. They moved to save it and improve it. I count Theodore Roosevelt and Gifford Pinchot among the leaders in the wise move at that time.

You will recall that later in the same 1-minute speech I said that this same splendid western development work had been carried on by Franklin D. Roosevelt to a remarkable extent in recent years. Would that we could continue it in the same spirit, having the same great objectives in view.

Why do we have so much difficulty with an Interior Department appropriation bill? Why should we? We have out there beyond the Mississippi to the west a great estate, much of it yet in the raw, much capable of and certainly needing further development. I assure you a great many people would like to exploit it if it is left unguarded and available. It was exploited at one time by lumbermen and by others. We tried to stop any private selfish exploitation which was not clearly in the public interest. We tried to conserve that territory. If we do the right thing now and henceforth in the way of developing it, it will help pay this

great debt under which we find ourselves laboring at this moment. It is that continued proper development I am urging now. I am begging you to draft appropriation bills and other legislation with that point in view. That is what I mean when I say that Theodore Roosevelt made a down payment on the preservation and development of the great West. Franklin D. Roosevelt made another important installment payment to that end. Are we going to continue payments as investments toward a valuable realization? Or are we going to stop now and stand to lose all of it? It begins to look that way.

Before I go further I want to answer a few things that have been stated here. I am glad the gentleman from Ohio [Mr. JONES] is present. I asked him during the course of his remarks if I heard him right when I understood him to say that he was for veterans. He assured me that I had heard him right. I asked him regarding one little appropriation in this bill, referring to the Gila project appropriation in the bill. What I wanted to find out was whether he thought he had acted in the interest of veterans by reducing that item the amount of \$1,132,790 below the Budget estimate. The Budget estimate was \$2,000,000. The amount written into the bill is \$867,210.

The gentleman from Ohio did not want to yield to me further other than to make sure that everybody understood he was for the veterans. I hope he did not mean to imply that I was not for the veterans. I hope he did not think for a moment that I was merely trying to get something and riding in on a good cause and imposing on the Treasury in the name of service to veterans. I hope there are not very many people who believe that I am thus motivated.

But this is the fact I wanted to make clear in my question to Mr. Jones. I am pointing out a fact and I am not arguing for the veterans now. God knows, I have been doing that quite extensively in late weeks and months and even years. I just want to say to the gentleman from Ohio that he did not quite catch the force of my question. Now, take the Gila project item, what is the only effect of that cut? It is a direct slap at veterans only, for the basic work has already been done, and the Bureau of Reclamation is not hurt, only delayed in finishing work for veterans.

I had a letter today from W. B. Williamson, Sr., of Phoenix, Ariz., veteran of the First World War, and I have a similar letter from Lieutenant Kirk, of Phoenix, Ariz., a veteran of the Second World War, and both of those men say in effect, "When are we going to be able to get some land down there near Yuma?" Well, when are they? I would like to know. Why can they not as veterans get that land? They have to wait until it has been developed to the point where the Bureau of Reclamation can offer it to them. I want to say to the gentleman from Ohio that such necessary legislation has already been passed. The President signed the bill on March 6 last giving the veterans preference on that very land, and it will be ready for them just as soon as water is put on it which

could be within a matter of weeks. When will the water be put on that land? They are within 3 miles of Yuma, Ariz. The water is brought right to the edge of it. The expensive, heavy construction has been completed. Boulder Dam is finished. Imperial Dam is constructed and the Gila Canal is functioning. Everything is all right up to that point. Now, if this bill should contain \$2,000,000 when passed, the bulk of that money would be spent directly in putting the water on the land. If more than half is cut out, some veteran's land is going to remain without water. It is as simple as that. The committee cut it down; it cut out construction costs. What construction material would be needed? Possibly cement chiefly but it is mostly moving dirt and using material that cannot be used in the construction of homes. So that the point I want to make to the gentleman is this: The difference between \$2,000,000 in the Gila item and \$867,210, or \$1,100,000-plus, would, if included, work directly for the benefit of the veterans, and therefore the cut is directly to the detriment of the veterans. I am afraid that is only one isolated case of the same nature in this bill.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Utah.

Mr. GRANGER. Does the gentleman know of a single thing that would aid the veteran more than to build reclamation projects, not only the labor that it would furnish, but in furnishing homes and projects that the veterans want? Does the gentleman know of anything that would be more useful to them?

Mr. MURDOCK. I certainly do not know of a single thing of greater benefit to them. We said to the boys when we brought them back from the battle fronts that we were going to try to have jobs for them. There are millions of them without jobs here today. Many of them are living upon their \$20 per week compensation.

Mr. GRANGER. Are we not making a mountain out of a mole hill in talking about these funds when 90 percent of them are reimbursable to the Government and we are spending them on the Government's own land.

Mr. MURDOCK. Absolutely, and that is the thing that I want to express right here. We are straining at a gnat and swallowing a camel in this whole thing of government spending. You are right. Practically all the money spent on reclamation is reimbursable. Members blindly oppose reclamation appropriations as if it were money thrown away.

Men rise on this floor and say we have to save money, that we have a great debt, nearly \$300,000,000,000, hanging over us. Well, yes; but how are we ever going to pay that debt if we do not develop the resources of the country? How are we going to furnish jobs for our veterans by cutting down on every sensible project?

When we build a reclamation project, it does not mean simply work for a few people on the site. The bulk of the labor is used in producing raw materials east of the Mississippi, and in furnishing transportation, whether by railroad,

truck, or what not. All of these different items furnish labor. The law sanctions veteran preference in that labor. We have granted veterans preference on lands that may be irrigated, but I should like somebody to show me how much we have done by way of attempting to furnish lands to the 850,000 men in uniform a year ago who expressed a desire to have a home on the land. We have not done much—how pitifully little. We have passed some legislation in this House, and we have some on the statute books, such as the act I referred to just a few moments ago, passed, and signed by the President on March 6 last. But that applies only to a limited area in the Southwest.

Not only are we trying in the reclamation program to furnish lands to veterans and give them preference to that land, but the construction work gives preference to veterans, not only those on the spot, but jobs for veterans all over the country, in the lumber camps, in the mines, in the transportation system, and in the manufacturing plants. The man in Pittsburgh, the man in Youngstown, the man in Birmingham is interested or should be interested in reclamation projects because he will be called on to furnish some of the equipment needed.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I gladly yield to the gentleman from California.

Mr. JOHNSON of California. The gentleman a little while ago expressed doubt as to whether the Members of the House believe he is sincere in trying to work for the veterans. I think there should be said for the record what is known to every Member, I believe, that the gentleman lost his son in this war, and everything that he does for veterans is based on trying to do something for those who survived his son.

I concur in what the gentleman has to say about this development not being a matter of taking money away from the taxpayers. Every dollar is to be paid back. As the gentleman so well expressed it, the development that will occur because of this expenditure will bring vast additional wealth to the country.

Mr. MURDOCK. I thank my friend for his sympathetic understanding. Yes; reclamation is constructive. It is a means of producing wealth. I am afraid I have worn my illustration threadbare talking about it, so I will only mention the valley in which I live, but Uncle Sam put about \$12,000,000 into that great project. Today it is worth at least \$70,000,000. What did it do 2 years ago? In 12 months it produced \$30,000,000 worth of food and fiber, and in the following 12 months it produced more than that, going up on an average from \$130 to \$165 per acre annually in cash crops. That project has repaid most of its debts to the Government but is 5 years ahead in its repayment schedule.

The people who live in Phoenix, Ariz., and in the surrounding community based on this project pay in income tax every year more than Uncle Sam put into that investment in the beginning.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 3 additional minutes to the gentleman from Arizona.

Mr. MURDOCK. I was up in Yakima not very long ago, in the Northwest. I was told that the same thing applies to that fine orchard country up there. That which was at one time a desert region, no-account land, has now become so profitable that the people who own it pay annually into the United States Treasury as income tax more than the Government furnished them in the beginning to irrigate it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Pennsylvania.

Mr. GROSS. I listened with a great deal of interest to what the gentleman had to say. I believe we should develop that section of the country out there. However, it might not be so difficult to get these appropriation bills through if it were not a case of a few fellows wanting all the credit. For instance, I recall that Herbert Hoover built Boulder Dam, but his name has not been mentioned today in connection with all of these developments. They even wiped his name off it. Some of us who look up to that great American and elder statesman resent that sort of thing.

Now, about the income taxes, a wealthy man in my district moved down to Arizona, and he is paying an income tax.

Mr. MURDOCK. I am sorry, I cannot yield further, although the gentleman's last remark interests me.

I do not pretend for a moment to sanction everything that has been going on or that has been done by the Interior Department, much as I favor and feel kindly toward the Interior Department. I cannot do that any more than I would attempt to justify and sanction everything that has been done by the War Department in the past few years, much as I appreciate the War Department.

I am talking about policy. I feel that this bill looks in the wrong direction. That is what I am hurt about. Evidently we cannot get all Members of this Congress to see that while reclamation development takes place west of the Mississippi River in the 17 Western States, in our integrated society it is for the benefit of the whole Nation. That fact is not understood.

So far as Members not wanting to make any future investments because of the heavy debt, good heavens, what one among you being a father and having your son with a broken arm would say, "I have no money in the bank and I will not borrow enough money to have that arm set"? Or how many among you having a horse or cow sick would say, "I cannot hire a veterinarian to come in and fix the animal up so he will have to remain sick or die"? Such would be the same short-sighted policy we have heard offered here today. We are not good husbandmen, representing the United States as a whole, if we do not capitalize on and develop, as well as save, all of the vast resources out there, whether they be in the form of timber, minerals, or land, and especially including water.

One other thing, I want to call the attention of the Members, particularly, to

the following statement on page 17 of the committee on appropriations' report on the bill. I quote:

With this background the committee called upon the Commissioner of Reclamation to submit a revised construction program giving his best estimate of where savings approximating 50 percent could be made with the least hardship. The Commissioner reluctantly has complied with the request of the committee, suggesting that all reductions be made in construction items. The committee has approved the program as outlined in the Commissioner's letter.

That statement is misleading. I do not assert that it is deliberately misleading. On the other hand I think it would be unfair to this body if the whole picture were not given. In order that the Members may have the whole picture, I believe I should read the following paragraph from the letter of March 13 addressed to my friend and colleague, the distinguished chairman of the subcommittee which handled this bill. The letter in question is to be found at page 485 of the printed hearings. The paragraph which I am about to read is on page 487. That paragraph reads as follows:

The effect of any such drastic reduction, which would be contrary to the recommendation of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or greater degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

In the light of that statement by Commissioner Straus, I fail to see how the committee could make the statement that it "has approved the program as outlined in the Commissioner's letter."

And now, Mr. Chairman, having presented these matters to clarify the facts apparently not clear to some of those who spoke before me, let me next present the case as, it seems to me in my official position, relative to reclamation.

As chairman of the Committee on Irrigation and Reclamation, the committee that is charged by the House with the responsibility for developing the Federal reclamation program, I regret exceedingly that the appropriations for the Bureau of Reclamation for the fiscal year 1947 are reduced in the pending bill so drastically below the Budget recommendations of the President.

In failing to include, in their entirety, the Budget estimates for the Bureau of Reclamation, I fear that the bill places in jeopardy the entire reclamation program for the great West. At the rate appropriations are recommended in this bill, it will take nearly 200 years to complete the projects the Bureau of Reclamation is authorized by Congress to build. Can we afford to wait that long?

Let us look at the amounts reported out as compared with the Budget estimates sent to Congress by the President. Out of some \$147,000,000 requested for



construction on about 40 projects, the bill carries only \$63,000,000—a reduction of about 60 percent. Construction will be greatly retarded by these cuts.

The item for general investigations, without which the economical development of the water resources of the West is impossible, is reduced from \$11,000,000 to \$3,250,000—a reduction of 70 percent. This reduction will seriously affect this important work.

The item for investigations payable from the Colorado River development fund was reduced from \$500,000 to \$300,000. This fund, by the way, is accumulated at the rate of \$500,000 per year from Boulder Dam power revenues, and not paid out of the Treasury pursuant to the Boulder Canyon project Adjustment Act of 1940, and is earmarked in the Treasury to be used for no other purpose.

The item for salaries and general expenses is reduced by more than 25 percent, from \$5,500,000 to \$4,000,000. Without the full amount recommended for the administrative expenses, the Bureau of Reclamation will be seriously handicapped in performing duties Congress has imposed on it.

Affecting my own State of Arizona, the Budget request of \$15,000,000 for continuation of construction of Davis Dam is reduced to some \$6,500,000—a reduction of 60 percent. A large portion of the amount eliminated is for the construction of transmission lines necessary to help meet the urgent demands for power in central Arizona where a most serious power shortage exists. In addition this reduction will seriously retard the construction of the dam itself. The Budget estimate of \$2,000,000 for continuation of construction of the Gila project is reduced to \$800,210. This drastic reduction will delay completion of the Gila project which offers so much hope as a means of providing irrigated farms for veterans. The predevelopment work on the Gila project recommended in the Budget estimates is of great value to future settlers and will protect the Federal investment.

The importance of the energetic prosecution of the reclamation program to the West, and to the Nation as a whole, yes, and even to the world, cannot be too greatly stressed. I have on many previous occasions emphasized to the House the lasting values of the reclamation program. Water is the lifeblood of the arid West. For the West to achieve that position of equality with the rest of the Nation that is its due, its sparse water resources must be stored and brought to its dry, but fertile, acres. Not only must this be done, but the great reservoirs necessary to be constructed must serve multiple purposes—purposes of providing protection against floods, for paradoxical though it may seem, many areas of the arid West are ravaged by periodic floods caused by the melting of mountain snows and the run-off of occasional torrents; purposes of navigation, of hydroelectric power production to ease the burden of the farmer and to pump his irrigation water, of providing domestic and industrial water supplies for the towns and cities, and of providing for

other purposes such as fish and wildlife conservation and recreation.

The history of our country amply demonstrates that the development of one region aids all others. In the reclamation program jobs are created not only at the site of construction, but in the East and South where machinery and other materials necessary in construction are produced. Jobs are created on the railroads and truck lines which convey these materials to the site. In fact more than half of the jobs created by prosecution of the reclamation program will be in the mines, mills, factories, and transportation systems of the Midwest, East, and South.

But the beneficent effect of the reclamation program does not stop with production. To quote a phrase, "It's only the beginning, folks!" New farms and homes and other enterprises are created. These farms provide badly needed food and fiber. The products of irrigated farms are, in the main, not competitive with crops grown under dry-land farming. They provide specialty crops, crops which fill voids in the Nation's agricultural production.

These new farms and enterprises which are created also provide important markets for the goods produced elsewhere in the country.

In short, the reclamation program is of the greatest importance in contributing to the development of an expanding, but balanced, economy. Congress just this session has taken a great forward step in passing the high levels of employment and production bill. In so doing, Congress recognized that our economy must expand if the Nation is to avoid the catastrophe of future depressions.

But those laudable goals will not be achieved merely by passing high-sounding legislation. To achieve those goals, a job must be done. The reclamation program is a part of that job. At the outset of my remarks, I referred to the importance of the reclamation program to the world. It is important to the world because if the United States, the greatest Nation in the world today, does not achieve an expanded, stabilized economy, the entire world will be in turmoil and unrest.

But to return to the effect of the reclamation program upon this country, and particularly on the West, construction of reclamation projects, resulting as it does in the creation of new wealth, brings into the local, State, and Federal treasuries new revenues in the taxes paid on the wealth so created.

The expenditures made by the Federal Government to create that wealth, and the homes, farms, jobs, markets, and industry it provides are not mere donations made to the general welfare and written off as a pump-priming contribution. Far from it, the expenditures made by the Federal Government for the construction of reclamation projects is an investment by the Government in the well-being of the Nation which is reimbursable to the Federal Treasury, coming back in the form of repayments of construction charges by water users, payments for the sale of water for mu-

nicipal and industrial uses, and payments for the sale of hydroelectric power.

Congress has recently concerned itself with concrete measures to ease the transition of the veteran from military to civilian life. It has passed measures to provide temporary housing for veterans. A more permanent veterans' housing bill has passed the House. Congress has passed the GI bill of rights. It has facilitated the purchase, by veterans, of surplus Government property. But Congress must do more to even begin to repay the incalculable debt the country owes its veterans. Construction of reclamation projects to provide farms for veterans is one of the most practicable ways of providing veterans with the means of a decent, civilian livelihood. The cuts made by the Appropriations Committee in the President's request for the Bureau of Reclamation will, unless restored, drastically curtail the opening up of new irrigated farms for the veteran. I say it is penny wise but pound foolish to appropriate millions of dollars for temporary housing and unemployment relief for veterans and then balk at appropriating funds, which as I said before are reimbursable, necessary to provide permanent opportunities for a livelihood.

It is false economy, also, to make appropriations for construction of power plants and then to refuse funds for the construction of electric transmission lines necessary to carry that power to the market centers. Power must bear by far the greatest share of the cost of reclamation projects. Failure to appropriate funds for the necessary transmission lines will result in the Government's being at the mercy of the few wealthy power companies that can afford to build lines to the Government dams. It jeopardizes the whole repayment structure of the reclamation program. Not only that, but it results in a denial of the very policies of preference to public bodies and cooperatives in the sale of reclamation power that Congress has written into the reclamation laws for 40 years. Without transmission lines, those preferences are meaningless, because those public bodies do not and cannot command the financial resources necessary to build networks of transmission lines.

Congress has recently increased by millions the lending authority of the Rural Electrification Administration. But REA co-ops are distributing agencies, not transmission agencies. In many parts of the West, REA depends largely on the Bureau of Reclamation to deliver power to its local cooperatives. Unless transmission lines are provided by the Bureau of Reclamation to deliver its power, the REA program in the West will, in large measure, fail to achieve the policy laid upon it by Congress of providing low-cost power to farm customers.

In concluding my remarks, I say to you that the Bureau of Reclamation has a most important job to do. That job cannot be done unless it is provided with adequate funds not only for construction of projects, but for investigations of the feasibility of proposed new projects, for the operation of existing projects and for

the salaries and expenses of administering the reclamation program that Congress has authorized.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. JACKSON].

#### BONNEVILLE POWER ADMINISTRATION

Mr. JACKSON. Mr. Chairman, those of us who are fully informed on the war contributions made by the Grand Coulee and Bonneville plants appreciate the generous words included on page 6 of the committee report. The Interior subcommittee through past actions provided the vision that made this contribution possible.

In analyzing the committee report I find that the following reductions have been made in the submitted budget covering Bonneville:

Spokane substation additions.....	\$217,000
Olympia-Cosmopolis transmission line.....	790,000
Feeder line extension and service.....	2,019,000
Surveys and design.....	151,000
Tools and equipment.....	200,000
Operation and maintenance.....	595,400
Carry-over projects.....	4,804,050

This last reduction was evidently made on the theory that these former projects still stand approved but could be spread over a 3-year program. I have searched the record, in the time available, for the reasons behind these reductions. I can find no complete justification except the committee's objective in making a horizontal cut for the purposes stated on pages 3 and 4 of the report. Horizontal cuts always carry with them chances of inequality.

Obviously the Committee of the Whole is not the place to take testimony. Machinery is available, however, to fully cover and correct any discovered inequalities. The two most serious cuts are those applying to feeder-line extensions and the O. & M. limitation. I use the word "serious" because of the possible effects on revenues and return.

I approach the suggestion of a further examination of these items with a full knowledge that I am not advocating a principle that would create any tax burden.

Under the act of August 20, 1937, all the items in the Bonneville estimate are self-liquidating, self-carrying allotments. This body in conjunction with that on the other side of the Capitol is the duly elected board of directors of the federally owned enterprises on the Columbia. As directors, it is our duty to examine closely to determine whether the best judgment has been used or whether all the facts have been brought forward. I fully realize that no one of this Committee intends to hamper the development of our last frontier. Therefore, I hope that if inequalities accrue from this horizontal operation, that an opportunity will be afforded to make the necessary corrections.

#### NATIONAL PARK SERVICE APPROPRIATIONS

The National Park Service is charged with the custody of the great places of nature and of history in the United States. It administers 182 areas, comprising 22,000,000 acres, and valued at a billion dollars. Right after Pearl Harbor,

its appropriations were drastically reduced. Scarcely enough funds were provided for essential protection and maintenance. Many activities, such as road and trail work, as well as construction of facilities for public use, were eliminated. Even vital maintenance had to wait.

I note that the committee has cut the President's budget for the National Park Service by 46 percent, which does not even put them in as favorable position as they were in before Pearl Harbor. The appropriation allowed for the 27 major national parks, for instance, is \$2,384,584. This is less than the amount of \$2,494,618 which was appropriated for these areas even during war times.

Right now travel to the national park areas is running 87 percent over last year, and 25 percent over the peak year of 1941. In 1941 there were 21,000,000 visitors. In 1946, at the present rate of increase, there will be 25,000,000 or more. During the war 36,000,000 people visited the parks, of which 8,000,000 were in the armed forces. The Park Service, with drastically curtailed staffs, was hard put to it to take care of these visitors. Now, with the floodgates of travel opened, it will be impossible for the Service to protect the parks and serve the public unless it has the funds and the personnel.

The National Park Service is ill-prepared to meet the obvious demands upon it at the beginning of the 1946 travel season, as during the period up to July 1, 1946, it will still be operating on reduced wartime appropriations which the Congress supplemented only sufficiently to reemploy veterans returning to positions from which they were furloughed. No additional funds were provided for services to the public.

The parks and monuments are staffed with very few more employees than they had during wartime; will be able to employ only a portion of the seasonal rangers, naturalists, historians, and other personnel required for the expected volume of public use; and are rather poorly outfitted with worn-out equipment. To meet the situation, services to the public have had to be curtailed wherever possible and maintenance must continue to be neglected until the beginning of the 1947 fiscal year. If the amount recommended by the committee is approved, these needed services and maintenance will be neglected for another year. Complaints of curtailed public services are already being received.

In the State of Washington, we have two great national parks—Olympic and Mount Rainier. The impact of travel to these areas is great, and is increasing right along. I am familiar with their needs. Particularly in Olympic National Park there is no adequate development to meet the needs of the public. The Park Service has not even had sufficient funds to make the necessary plans. Not only road and trail construction, but even maintenance of roads and structures, has had to await the end of the war. Protection of valuable Government property has not been adequately provided for. The shortening of the workweek has thrown greater duties upon an already overburdened staff.

A similar situation exists with all of the areas administered by the National

Park Service. I hope that the Congress will see fit to enable the Service to meet the responsibilities put upon it by law, by appropriating at least the equivalent, under present conditions, of the amount available for this purpose prior to World War II.

For Americans are again on the road. They are seeking the refreshment and adventure of life in the out of doors. And among the great objectives of this travel will be the national parks.

#### INDIAN SERVICE

Committee reductions in appropriations requested by the Indian Service would radically affect the adequacy of care given to Indian children and old people, would block an attempt to eliminate pay inequities against Indians, and would prevent the building of roads necessary to bring education and medical aid to the people of the reservations.

The report of the committee recommends only \$150,000 for the welfare and relief of needy Indians, which is \$340,000 less than the amount available for the fiscal year of 1946. The recommended amount is \$600,000 less than was requested.

The inadequacy of \$150,000 to accomplish this vital work is apparent when it is recognized that more than \$300,000 will be needed to provide direct relief for the aged and physically incapacitated at an average grant of only \$9 a month. This standard is extremely low in comparison with the average grant of \$29 a month made by other Federal agencies and State welfare departments. Among other necessary welfare requirements are \$55,000 for boarding-home care of children and \$13,000 for the institutional care of delinquent youngsters.

Pay inequities against a large number of Indians employed by the Federal Government would continue under the committee recommendation. The Office of Indian Affairs had proposed increases totaling \$925,000 to pay Indian assistants salaries comparable to those paid to non-Indian employees doing similar work. This was disallowed, as was also an additional sum of \$44,700 to increase the pay of Indian police and judges.

A proposed reduction of \$3,000,000 in the amount requested for road construction would not only seriously affect essential Indian-reservation programs but would also preclude fulfillment of the Indian Service portion of the Nation's road program under the Federal Highway Act of 1944.

Roads are essential to bring medical service and education to many isolated portions of Indian reservations. They are a distinct aid to efforts of Indians to make themselves economically independent.

Construction of new roads, which was suspended during the war years, is necessary to operation of school busses, ambulances, and other motor transportation on the reservations. It will provide employment for returning veterans and former war workers. It will give needed access to isolated communities and inaccessible areas. Some new construction, such as bridges, is required to keep the present roads open to traffic.



The Civilian Production Administration has said that road construction will not conflict with the veterans' housing program because it involves the use of relatively small amounts of critical materials and few, if any, skilled laborers who work on housing activities. The necessity for an adequate road program was recognized by the Congress in the Federal Highway Act of 1944, which authorized an appropriation of \$6,000,000 annually for Indian Service roads for three postwar years.

Mr. JONES. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho, a valuable member of the subcommittee and able Representative in Congress [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Chairman, as a member of the subcommittee which prepared this bill, I want to make it clear I believe it will seriously handicap administration of the grazing districts in the 10 States where the Grazing Service operates. This bill provides only \$212,500, instead of the \$1,121,470, including the Pay Act increases, appropriated for the current fiscal year, or the \$1,504,000 recommended by the Bureau of the Budget. The bill also eliminates to \$50,000 for fighting range fires, which do so much damage in my State and neighboring States, and the report on the bill proposes that fire fighting costs be paid out of the \$212,500 item. In other words, the effect is to reduce the amount available in the current year for administration and protection of the public land by approximately 80 percent.

The Grazing Service has the job of administering, protecting, and developing resources in 60 grazing districts totaling over 143,000,000 acres of land. Last year it cost considerably less than 1 cent an acre, and a large part of the administration is in the public interest and not just in the interest of the local livestock industry. It will be a sad blow, both to the public interest and to the many farmers and ranchmen who are dependent on the public range land, to have administration radically curtailed.

It is estimated that receipts for grazing fees for the fiscal year will amount to \$850,000. Fifty percent of this amount is required by law to be paid to the States, wherein collected, for such disposition as the State legislature may direct. In most of the States, this money is appropriated to the district advisory boards to be expended for improvements, predatory-animal control, rodent control, and similar purposes for the betterment of the range. Another 25 percent of the receipts is authorized to be appropriated for range-improvement expenditures by the Government. The last 25 percent goes into the Treasury. It is this amount which the committee has recommended as the appropriation for administration.

Whether or not the grazing fees should be increased or whether the administration should be made self-supporting at this time is debatable. This much seems clear, however, that the grazing districts should not be expected to become self-supporting when production of meat is restricted by low ceiling prices. It is equally clear that it cannot be expected that the grazing districts can be

administered and protected for much less than was available to the Service in the current fiscal year.

Another objection is the elimination of expenditures for the advisory boards. Each grazing district has an advisory board of local stockmen elected by the range users to advise and assist the Grazing Service in the administration of the range. There are some 600 of these advisory board members.

It has been customary to appropriate sufficient funds to reimburse them for their expenses incident to attending meetings and to performing their duties. To eliminate this consideration—small in total amount but of much importance to the many small operators who are members of these boards—will be a serious blow to the advisory board system, which has done so much toward providing a local voice in the administration of grazing districts.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. STOCKMAN].

Mr. STOCKMAN. Mr. Chairman, in connection with the Bureau of Reclamation section of the Interior Department appropriation bill for 1947, I call attention to the reduction in the Budget estimates for construction work on two projects in my district in Oregon. These projects are the Deschutes project, in central Oregon, which, on May 18, next, will deliver the first irrigation water from the system which the Bureau of Reclamation has under construction, and the Klamath project, in southeastern Oregon, where essential construction is necessary for the efficiency of this old-established reclamation development.

I recognize that the Appropriations Committee has had a difficult task before it, and in protesting these reductions I do not do so in a spirit of criticism. The appropriation for the Deschutes project was reduced from \$1,300,000 to \$563,685. The appropriation for the Klamath project was reduced from \$500,000 to \$216,800.

The full amount of the Budget estimate of \$1,300,000 is necessary to expedite construction on the Deschutes project so that newly irrigated land may be available next year for the settlement of returning war veterans. The storage, main canals, and some of the distribution facilities have already been constructed, and the additional funds are necessary to extend the laterals. The full amount of the \$500,000 estimated for the Klamath project is necessary not only for the work in Oregon but also to advance work for the settlement of veterans on public lands in the Tule Lake area, just across the line in California. Many Oregon veterans are interested in settling on this public land.

The Budget estimates submitted by the President for the fiscal year 1947 included a total of \$163,554,055 for the Bureau of Reclamation. Included in these totals were construction funds for about 40 individual projects totaling \$147,330,000. The recommendations of the House committee propose reductions in each of the construction estimates for the 40 projects and eliminate entirely the estimate of \$3,340,000 for

WCU projects and \$200,000 for preliminary work on the Kings River project in California. The total amount recommended for construction is \$63,883,000, a reduction of about 60 percent.

In addition to the construction reductions, the bill reduces the estimate for salaries and expenses of the Bureau of Reclamation from \$5,500,000 to \$4,000,000. I am informed that the full amount of the Budget estimate is essential to the efficient administration of the important affairs of the Bureau of Reclamation regardless of the reduction in the estimates for construction.

Oregon is also interested in the continuation of general investigations by the Bureau of Reclamation to develop fully the unused water resources of the State. Therefore, the reduction from \$11,000,000 to \$3,250,000 of the estimate for general investigations will seriously curtail this valuable work in Oregon and I urge its reinstatement as well as the full appropriation for the Deschutes and Klamath projects.

Previous to the report on the bill, Commissioner Straus, of the Bureau of Reclamation, wrote the chairman of the House subcommittee, warning of the effect of the reductions which the committee had proposed. Commissioner Straus wrote as follows:

The effect of any such drastic reduction, which would be contrary to the recommendations of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or great degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

Mr. JONES. Mr. Chairman, I yield 15 minutes to the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES of Washington. Mr. Chairman, two projects in my district are seriously affected by the reductions in the Budget estimates to the amounts reported in the Bureau of Reclamation section of the Interior Department appropriation bill for 1947. These reductions will seriously curtail construction work essential to the completion of the Roza division of the Yakima project in my district and will retard the construction of the irrigation system for the great Columbia Basin project which also lies largely in my district.

I view with deep concern the appropriations allowed for these projects. We in the State of Washington, who have grown up with the reclamation program established some 45 years ago, know what the bringing of water on land for irrigation purposes can do. We have built through this program empires of production second to none.

With the world desperately in need of food, we have land in the Roza project immediately available for production of

this food. In the Columbia Basin project we would bring 6,000 acres into production in 1947 and another 400,000 acres in the next 4 years. It is double-crop land when devoted to row crops, and in many areas of the Roza division of the Yakima project there would be no delay to the veterans coming to seek homes now. By double-crop land I mean two complete crops of separate products per season.

These projects that I refer to have been carefully gone into, have been carefully studied, and show beyond doubt economic feasibility and a sound basis for future production. When just one county in the State of Washington, namely, Yakima, produces \$100,000,000 worth of produce a year under irrigation, can there be any doubts as to the success of such use of water?

Men from our area have grown up with this. We know what irrigation can do. It is a part of us. We of the West and the State of Washington intend to continue this development and feel that the appropriations involved in the bill up for debate and discussion are not of a sufficient amount to keep from deterring our progress and our program.

Let us look at some of the facts of irrigation: First, there is a prodigious increase in land valuations, property valuations, and revenue-earning power from taxation. There is tremendous development of economic wealth of a self-liquidating nature. I can see the necessity for not promiscuously spending money. I can also see the necessity for intelligent economy. But I cannot see the necessity for purposely not wanting to build the basis of our economic wealth and develop our resources on a program that will pay for itself.

Members of the committee have seen the areas that I refer to. They have witnessed with their own eyes what water means to dry, fertile land. They have seen land in sagebrush in the spring that by Labor Day of that same year had completely grown two crops of separate commodities. They have seen production of such prodigious amounts on a per acre basis that they have been staggered by the actual facts.

Certainly the wisdom of the committee and Members of the House realize the terrific need for food. We stand ready to produce the food immediately on the Roza division of the Yakima project. We also stand ready to produce more of that food on the Columbia Basin project if we can obtain sufficient moneys to proceed with the regular program. I call the House's attention to the fact that the cuts instituted on these appropriations are approximately 57 percent below Budget estimates. We are not asking for promiscuous dispensing of money. We are asking for what is necessary to proceed with the orderly development of these great self-liquidating undertakings.

Some may think that the Columbia Basin project is new. It has been under survey and discussion and study for a period of 40 years. It is under construction now. The Government already has invested in it \$183,000,000. It is the largest irrigation project ever undertaken by the Bureau of Reclamation. It has with-

in it some of the most fertile lands that are located in the United States. It does not seem to me that it is logical to interrupt a program of this magnitude in the face of the crying need for a new frontier and for additional food production. Where is the new frontier of the United States? It is on lands that can be made to grow excellent crops by bringing water to the land. This is the only frontier left in the United States. It is being developed and needs further development.

Water is the lifeblood of irrigation. We have the water. Land is the basis of agricultural production; we have the land. Climate is necessary for a long growing season. We have the climate. We want to proceed with the use of resources and continue to build great wealth that we are able to repay.

There has been reference made to a \$135,000,000 carry-over. Was not eighty-three million of this from the deficiency bill enacted on December 28, 1945? Was not the computation of the one hundred and thirty-five million made on January 1, 1946? In other words, could any of the deficiency moneys have been spent? The balance of the one hundred and thirty-five million was allocated for this spring's work.

The Roza division of the Yakima project, to which irrigation water was delivered to 18,000 acres in 1945, is one of the outstanding developments of the Bureau of Reclamation which was carried forward under a war-food program when other irrigation construction was halted by the War Production Board. The gravity system is nearing completion and the additional funds are needed to advance work on the pumping area of the project.

The pending bill reduces the Budget estimate for the Roza division from \$1,440,600 to \$624,650. This reduction will delay the construction of the pumping system and other facilities essential to the completion of the project for several years at a time when there is an immediate demand for irrigated land on which returning veterans and others in the Yakima Valley can settle.

I call particular attention to the drastic reduction in the estimate for the construction of the irrigation facilities of the Columbia Basin project from approximately \$30,000,000 to \$13,008,145. The House is well aware, I am sure, of the tremendous increase in the population of the Pacific Northwest and the imminent necessity for providing employment on construction for returning veterans and displaced industrial workers, as well as the urgency for the extensive settlement opportunities that the Columbia Basin project will afford. Included in and set aside in the original estimate was the minimum that is required to get the construction of the irrigation facilities under way. This initial work included the huge pumps to lift water to the equalizing reservoirs, for initial work on the equalizing reservoirs, and for advancing construction on the main canals. Some funds were also included for certain essential work on Grand Coulee Dam.

I am particularly concerned at the effect of the reduced appropriation pro-

posed for the construction of the irrigation facilities. Under the Bureau's 5-year program it was estimated that total appropriations of about \$200,000,000 would be required by 1950 to bring irrigation water to 400,000 acres in the Columbia Basin project so that this area could be opened for settlement in 1950-51. Assuming that \$10,000,000 of the amount proposed in the bill for the Columbia Basin project is the limit Congress will appropriate this year, at least 20 years would be required to complete the facilities necessary to bring water to these 400,000 acres.

At the end of the 20 years many, many of the veterans will be old men and will be deprived of the opportunity to settle on this great project to the building of which the Government and the Congress are committed. It will be tragic if the many thousands of veterans who would be given employment in construction work and later a chance to settle on Columbia Basin land are deprived of these opportunities.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. ROBERTSON].

Mr. ROBERTSON of North Dakota. Mr. Chairman, the Congress of the United States in the past few years has committed itself to a policy of water use in the semiarid regions of continental America. Plans have been made and the work has begun to produce a condition in these semiarid States which will bring them stability and a permanent prosperity. In the accomplishment of this, the Nation will add great numbers of taxpayers. Vast sections of the country which have on frequent occasions suffered great hardships, hardships so extreme that the Congress has been called upon to make appropriations for relief, would soon become a continuous contributor to the welfare of the country when once these projects planned have been completed.

This development in the Midwestern States is the dream of far-sighted men of past generations. It is now after many years coming into full bloom. I am concerned as I view the future of this development when measured against deep reductions made in this bill by the Committee on Appropriations.

The drastic reduction in the Budget recommendation of \$23,783,600 to \$10,312,685 will seriously delay needed work by the Bureau of Reclamation on the comprehensive plan of development for the Missouri Basin. In fact, at an annual rate of \$10,000,000 it will take 60 years to complete the initial stage of the Missouri Basin development. This is unreasonable. The program included in the Budget recommendations provided for an active integrated and coordinated attack on the development of the land and water resources of the Basin. That is what the people in the Basin expected when the Congress authorized the Pick-Sloan plan in the Flood Control Act of 1944. There is no need to delay this work because of the housing shortage since the work contemplated under this plan is entirely different from housing construction. This work requires the use of extremely heavy equipment and in the main involves a different type of labor and materials than



is ordinarily found in housing construction. For example, the Bureau of Reclamation is nearly ready to start construction on the Heart River unit in North Dakota. Plans are nearly completed for letting the first contracts. This unit will consist of the Dickinson Dam which will provide a municipal water supply for the town of Dickinson; the Heart Butte Dam which will provide flood protection for the city of Mandan, and an irrigation water supply for 13,538 acres of land in numerous small tracts that will be served by more than 40 individual pumps. I do not see how this can affect the housing program, but it is extremely important to the people of North Dakota and to returning veterans seeking farms. Stabilization of the water supply is extremely important to agriculture along the Heart River. It is subject at present to the vicissitudes of the scanty and variable rainfall, and often drought. The crops raised on the irrigated land will supplement the feed available on adjacent range lands to help carry over the cattle during winter periods and the dry years.

The ultimate plan provides for utilizing power that will be generated along the main stream of the Missouri and elsewhere. The construction of a comprehensive and coordinated system of transmission lines will be necessary for the success of the Heart River units, as it is not possible to generate sufficient power on the Heart River to operate the pumps. Furthermore, the distribution and sale of the 5,500,000,000 kilowatt-hours of electric energy that will be generated annually at the Missouri Basin power plants is essential if the repayment requirements of the reclamation laws are to be satisfied.

Irrigation pumping is an essential part of irrigated agriculture in the northern part of the basin. The experience of the Fort Peck project has shown that clearly. Recently the Commissioner of Reclamation requested the Chief of Engineers, War Department, to install an additional generating unit at Fort Peck Dam to supply the demand for power that has developed. The reduction of the Budget estimate of \$1,000,000 to \$433,605 for transmission lines under the Fort Peck project will seriously delay the supplying of power to meet the needs of irrigation pumping, REA's, and municipalities. The full amount should be restored to the bill in order that the Bureau of Reclamation can proceed to meet these demands promptly.

The reduction of the Budget recommendation of \$5,500,000 to \$4,000,000 for salaries and expenses will have a serious effect on the administration of the total reclamation program if it is allowed to stand. The Missouri Basin program will be affected and the carrying out of the Bureau's program for veterans' settlement and employment in reclamation construction will be jeopardized. Adequate funds to provide for an efficient and businesslike administration of these programs should be provided. The Budget Bureau and the President recommended \$5,500,000 for this purpose; the full amount should be restored to the bill.

Mr. JONES. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

#### ANTHRACITE RESEARCH LABORATORY

Mr. FENTON. Mr. Chairman, in the United States the only anthracite coal of any commercial importance lies in four major fields in eastern Pennsylvania, within an area of only 3,300 square miles—less than 500 square miles of which are underlain by workable coal beds. The present reserves of anthracite coal are estimated at 16,500,000,000 tons—which is about three-fourths of the original reserve.

The northern coal field, commonly known as the Wyoming region, covers the counties of Luzerne and Lackawanna, with Wilkes-Barre and Scranton as the principal centers, and with many mining towns of varying population in the region.

The eastern middle coal field, commonly known as the Lehigh region, covers Carbon County with Hazleton as the principal center; and the northeastern part of Schuylkill County, which is part of the Twelfth Pennsylvania District, which I have the honor to represent.

The western middle coal field covers Schuylkill and Northumberland Counties, and the southern coal field covers Schuylkill and Dauphin Counties.

All of the large and extended deposits of anthracite coal in the western middle field have mining centers of Shamokin, Mount Carmel, Centralia, Ashland, Girardville, Frackville, Gilberton, Mahanoy Plane, Shenandoah, and Mahanoy City. The major portion of the deposits in the southern coal field have mining centers of Pottsville, Minersville, Tremont, and Tamaqua, and all these are in the Twelfth Pennsylvania District.

#### CONSERVE NATIONAL RESOURCES

Admittedly, from many authoritative sources there is an inexhaustible supply of hard coal, and I believe that if an anthracite laboratory is provided by the Federal Government it will fulfill the twofold purpose of creating new uses for anthracite and substantially aid in carrying out the program of conserving other national resources, the supply of which is limited.

The anthracite coal industry is our basic and fundamental industry. It is the backbone of all our business enterprises. We have few diversified industries in the region. The existence and prosperity of our people, therefore, must depend on the utilization and mining of anthracite coal.

#### FORMATION OF ANTHRACITE COAL

In my studies I find the word "anthracite" is derived from the Greek word "anthrax"—meaning coal of fossil substances which will kindle and burn like wood. Historical records seem to indicate that the first recorded mention of anthracite was made by Theophrastus, in 371 B. C., in a treatise on stones. This historian records that it was found in Liguria and Elis and was used by "smiths." We find today, however, the words "anthracite" and "hard coal" are synonymous.

It is now generally recognized that anthracite, like all coal, was formed from the vegetation of prehistoric forests. The story of the formation of anthracite coal is in itself an intensely interesting romance.

Geologists in general, practical language tell us that trees and ferns which grew to gigantic size and unparalleled dimensions in an atmosphere very rich in carbon dioxide, fell, rotted, and decayed, thus forming a deep layer of decayed plant life. In time the earth's surface moved and submerged this vegetation beneath an ocean covering the earth with mud and sand.

Centuries and centuries passed and thousands of years later the earth rose out of the water and was again covered with vegetation. Submersion again followed, and in the course of many centuries this process was repeated a number of times. The combined forces of heat and pressure transformed the mud and sand of the ocean bed into rock, and every separate layer of former bituminous vegetation hardened successively into peat, lignite, soft or bituminous coal, and finally into anthracite.

Then as the result of vital earthquakes and the erosion of glaciers many miles in thickness, these fields of anthracite in eastern Pennsylvania, which I have previously referred to, were left in their present uneven and disconnected form.

Scientists and geologists, in relating this marvelous romance, tell us further that as the earth's surface cooled and contracted, our beautiful hills and valleys in eastern Pennsylvania were formed.

These beds of anthracite were correspondingly twisted with the result that anthracite now lies in a number of basins or veins extending roughly parallel to each other and in a northeastern, southwestern direction. In many instances—in fact in most instances—the centers of these veins of coal are many feet underground while the edges or outcroppings frequently coincide with the surface of the earth. When this latter condition is the case it is possible to readily secure coal by shoveling or stripping directly from the surface. But in the majority of instances, however, it is necessary to sink deep shafts or slopes in order to reach the coal in or near the bottom of the veins.

According to geology classifications, therefore, these basins of anthracite coal in eastern Pennsylvania have been grouped into four primary divisions known as the northern, eastern middle, western middle, and southern fields. In the northeastern extremity of this territory these basins slope in rather gentle curves, while in other sections, particularly in my district, the warping of the earth's surface during the glacier era was much more severe with the result that the coal beds frequently lie in a vertical position and in some cases have sometimes even been completely overturned since the original formation.

According to no less an authority than Dr. A. C. Fieldner, of the Federal Bureau of Mines, anthracite coal in Pennsylvania was discovered as early as 1762, and

that the first Lehigh coal-mining company was formed in 1793. We find, however, that it was not until about 1812 that the black stones of eastern Pennsylvania began to receive recognition on the Philadelphia market as being a highly desirable domestic fuel. In 1830, the first American-built locomotive used anthracite, and in 1835 this fuel was burned on the steamship *Portland*. In 1839, the application of hot blast to Mauch Chunk and Pottsville blast furnaces started an important industrial use for anthracite that persisted for over half a century. By 1838, the yearly production reached \$1,000,000 and that year may be taken as the beginning of anthracite as an important American fuel.

It can therefore be seen that anthracite coal was the first of our mineral fuels to find extensive domestic and industrial use. It is therefore equally true that it would naturally also be the first fuel to experience the exhaustion of easily minable beds. It is therefore my humble and frank opinion that if the anthracite industry is to continue and survive that we must apply progressive mining methods and research in developing means and methods for increasing the utilization of anthracite coal products.

Naturally, I am interested in scientific achievements. For years I have been engaged in the practice of medicine and I have been in close contact with the achievements of science in the fields of chemistry, biology, and related sciences.

I know something of the progress science has made in combating contagious diseases and in the improvement of our health and sanitary conditions. I therefore can be expected to have an appreciation of the value of scientific research and the importance and application of fundamental and applied research work. It is with this in view that I have for some time been devoting attention to the possibility of scientific chemical and engineering research in the development of new uses for anthracite coal and its products.

#### FARM PRODUCTS RESEARCH

My interest in this matter has been renewed and strengthened by the recent action of the Department of Agriculture in the establishment of regional laboratories for scientific research in the utilization of farm products at Wyndmoor, Montgomery County, Pa.; New Orleans, La.; Peoria, Ill.; and Albany, Calif.

In section 202 (a) of the Agricultural Adjustment Act of 1938:

The Secretary is authorized and directed to establish, equip, and maintain four regional research laboratories, one in each major farm-producing area, and, at such places, to conduct researches into and to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products and by-products thereof. Such research and development shall be devoted primarily to those farm commodities in which there are regular or seasonal surpluses and their products and byproducts.

Press releases issued by the Department of Agriculture contain detailed information about the location and design of these four regional laboratories at the points stated. The buildings were de-

signed as centers for carrying on chemical engineering and related research by a staff of approximately 250 persons, consisting of chemists, engineers, and other trained technologists.

The primary purpose of these laboratories is to find and develop new uses of farm commodities in the region in which they are located.

The Eastern Regional Laboratory, located at Wyndmoor, for instance, devotes attention to new uses for potatoes, tobacco, milk products, apples, and vegetables.

The Southern Regional Laboratory, at New Orleans, gives attention to cotton, peanuts, sweetpotatoes, and other foods generally produced.

The Northern Regional Laboratory, located at Peoria, gives attention to corn, wheat, and agricultural wastes from the farm area in the Middle West.

The Western Regional Laboratory, located at Albany, Calif., directs attention to surplus fruits, vegetables, wheat, potatoes, alfalfa, and similar crops.

#### PROPOSED LINES OF RESEARCH ON UTILIZATION OF ANTHRACITE COAL

It is very gratifying to me as a scientifically trained man to see this splendid development in the Department of Agriculture whereby the chemists, engineers, and other technologists in the Department are going to exert every effort to develop new uses for surplus farm commodities in the various regions in which these regional laboratories are located.

I have followed very closely the developments in connection with the utilization of soybeans in various industries and regard this new undertaking in the Department of Agriculture as one of the most constructive steps taken by the Department to bring the scientist into the field as a direct aid and help to the farmers of this country.

I therefore feel that scientific research can be used in a similar manner in affording relief to the depressed anthracite miners in my district and in eastern Pennsylvania. I am convinced that science can render a most important service in the development of new uses for utilization of our valuable anthracite deposits.

In my studies of the anthracite situation in my own district I have endeavored to secure the advice of chemists and engineers not only in the industry but in scientific institutions, State and Federal agencies. I have given considerable attention to this subject and I have had an outline prepared of some proposed lines of research on the utilization of anthracite coal that would be of vital importance to all engaged in coal mining, including both the operators and miners of eastern Pennsylvania.

In preparing this research program, recognition has been made of the marked advances in methods of transportation and communication, and the increased need and demand for satisfactory motor fuels.

As a very marked example, the development of the automobile to its present outstanding position in both domestic and industrial fields has resulted in a tremendous demand for gasoline. The sup-

ply of gasoline has always been plentiful, but will it continue to be so from the present sources of production?

Already serious questions have been raised regarding our oil reserve and experts are predicting a marked depletion in future years. Just how long it will be possible to discover new oil reserves is now a much debatable question. Some prominent authorities think a decline may begin within the next 10 years while others estimate it will be a little longer period. At any rate it is generally recognized that all oil resources are being depleted and active measures should be adopted for the conservation of this valuable natural resource.

So the fact that gasoline, which is now produced from petroleum, a mineral resource which we confidently believe will some day be exhausted, the study of new sources of substitute fuel such as coal, oil shale, and farm crops should be encouraged by the Federal Government.

We have extensive deposits of coal and oil shale in the United States and methods for producing gasoline and motor fuels from them should be actively prosecuted and the practicability of these methods from the economic and cost point of view should be definitely determined.

We note that farm crops, for instance, especially grains and tubers, can be malted and fermented to produce ethyl alcohol, a liquid which chemists tell us can very well be used in place of gasoline. It has been suggested that this alcohol made from farm crops be blended with gasoline as a practical source of motor fuel, and I am sure science will determine in the next few years the practicability of this process. It is again a very splendid example of the value of scientific research in solving these important national problems.

#### HEATING VALUE OF ANTHRACITE

It is interesting to observe that when we think of gasoline as a symbol of concentrated fuel we find that a small lump of anthracite coal will yield nearly one and one-half times as much heat as the same volume of gasoline. The several percent of hydrogen which anthracite coal contains gives it considerable advantage, for instance, over coke in heating value. It is seldom realized that Pennsylvania anthracite contains from 400 to 1,000 British thermal units more per pound than byproduct or beehive coke of the same ash and moisture contents. These statements can be verified from analyses made by the United States Bureau of Mines.

For example, their Report of Investigations No. 3283 shows that the moisture-free analysis of domestic sizes—egg, stove, chestnut, and pea—of Pennsylvania anthracite samples from 41 coal breakers average 9.9 percent ash and 13,535 British thermal units per pound. Their Report of Investigations No. 2980 states that the typical composition of moisture-free high-temperature coke is 10 percent ash and 12,900 British thermal units per pound. In other words, while the ash contents of the typical coke and anthracite coal are almost identical, the anthracite has 635 more



British thermal units per pound, which amounts to 5 percent more heat units.

I am told the explanation for the higher heating value of anthracite as compared with coke lies in its extra hydrogen content, since hydrogen has the highest heating value of any substance. Although bituminous coal contains more hydrogen than anthracite, it also contains more oxygen which has no heating value.

It is generally agreed by combustion engineers that there is therefore no other fuel, whether solid, liquid, or gaseous, that is so concentrated as anthracite and which contains so many heat units per cubic inch. It is not my purpose in this speech, however, to enter into any more details regarding the heating and combustion advantages of anthracite coal.

I am particularly interested at this time in directing attention to the national importance and significance of scientific research looking to the development of new uses for anthracite coal and its products. It is, therefore, very evident to me that many of the following lines of research should be undertaken as soon as possible for the utilization of anthracite coal.

#### PROPOSED RESEARCH

First. Anthracite coal as a source of liquid fuels for automotive needs:

1. Passenger automobiles.
2. Diesel engine power on (a) trucks, (b) busses, (c) railroads, (d) stationary power plants, (e) marine engines.

Second. Anthracite coal as source of compressed gas and producer gas for motor fuel:

(a) Gas producer-driven motor vehicles. Gas producer-driven motor vehicles, principally trucks and busses, have received extended trials in England, Germany, and France. Although wood charcoal is the preferred fuel, anthracite and low-temperature coke have given satisfactory service. In 1936 about 800 gas-producer equipped trucks and busses were operating in Germany. Encouraging experimental results have also been obtained in England and France.

Third. Anthracite coal for gas production:

(a) Possibility as future fuel in gas-producers for heavier types of motor vehicles.

(b) Source of hydrogen for liquefaction of bituminous coal or for production of synthetic hydrocarbons.

(c) Source of fuel for water gas and gas-producers.

(d) Possibility of use as raw material for production of synthetic products from carbon monoxide and hydrogen.

(e) Production of water gas by utilization of off-peak electrical energy for heating anthracite fuel beds and passage of steam through the bed.

(f) Utilization of anthracite coal in process for gasification of carbonaceous materials.

Fourth. Hydrogenation of anthracite coal:

1. Heavy oil production for use in (a) Diesel motors, (b) furnaces.

2. Gasoline production for use as: (a) motor fuel, (b) solvents.

Fifth. Liquefaction of anthracite coal:

1. Emulsified finely ground coal for use as: (a) Diesel engine fuel, (b) furnace oil.

2. Heat treatment for use as: (a) Diesel engine fuel, (b) furnace oil.

Sixth. Grinding of anthracite:

1. Pulverized form for use in: (a) steam generation, (b) Diesel engine, (c) household heating.

Seventh. Blending of anthracite coal:

1. Heavy oil blended with: (1) Regular anthracite coal sizes, (2) pulverized anthracite coal, for use as (a) steam generation, (b) household heating.

2. Bituminous coal blended with: (1) Fine anthracite, for use as (a) steam generation, (b) household heating.

Eighth. Chemical utilization of anthracite coal for use as: (a) Filtering media, (b) scrubbing, (c) conversion, (d) carbonization.

Ninth. Anthracite ash utilization: (a) Soil conditioner, (b) steel alloying with fine coal, (c) chemical utilization of ash constituents.

Tenth. Anthracite for producer gas: (a) Power production, (b) city gas, (c) gas engine.

The results of my studies and surveys of the anthracite coal situation in Pennsylvania and the importance of making early provision for the initiation of a program of scientific research on the utilization of anthracite coal encouraged me to prepare and introduce in the Seventy-sixth Congress, H. R. 4109, which put the Federal Government back of the anthracite coal miner in his fight for future existence. I reintroduced the bill, H. R. 1083 in the Seventy-seventh Congress, and a companion measure, S. 357 followed in the Senate. The measure was enacted into law on December 18, 1942, and is Public Law 812 of the Seventy-seventh Congress.

The law provides for the establishment by the Department of the Interior, of an Anthracite Research Laboratory in the Pennsylvania anthracite region to carry out a broad and extensive program such as I have referred to. The law also provides for the operation and maintenance of this research laboratory to permit the Department of the Interior to carry out the program.

I greatly appreciate the cooperation that the subcommittee gave me in affording me the opportunity to appear before the committee. I want to further extend my appreciation to all the members of the Appropriation Committee in favorably reporting to the House the appropriation requested to establish the anthracite research laboratory as provided by Public Law 812 of the Seventy-seventh Congress.

This program means so much to the entire population of the anthracite coal regions of Pennsylvania, that I am grateful to the entire membership of the House for its complete support.

Mr. JONES. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. Gross].

#### IT'S STILL UP TO CONGRESS

Mr. GROSS. Mr. Chairman, it long has been, and still is, up to Congress to dissolve now needless war agencies, and

rid the Government's pay rolls of unnecessary employees.

Most of the now useless war agencies were created by the President via the Executive order route, purportedly under the First War Powers Act which not only did not authorize the establishment of new agencies, and provided only for transfers and consolidation of functions to further war, but all such actions terminate 6 months after the war is formally ended, and revert to their former status. Congress should forthwith declare the war ended—Mr. Truman will never do it.

Some months ago, Mr. Truman created a special \$10,000-a-year job for Robert L. McKeever as liquidator of the war agencies—this without semblance of authority from Congress. The most recent reorganization plan was enacted into law by the Congress at Truman's request, and, when he approved the law, he said, in substance, that any reorganization under the act would save but little, if any, money for the taxpayers, as Congress itself would, in the end, have to abolish many agencies.

The 1947 Budget submitted by Mr. Truman—reflecting only a small part of the expenditures proposed for the fiscal year 1947—makes it perfectly plain that the Government's pay roll and activities are not to be reduced; and, as the Director of the Bureau of the Budget admitted in the House hearings on the 1947 independent offices bill, all agencies are requesting more and more funds for the fiscal year 1947.

#### ROBERT L. MCKEEVER'S REPORT

Comes now a statement from Robert L. McKeever, the agency liquidator who is not liquidating, and has no intention of so doing, in which it is proposed to postpone the liquidation of war agencies from July 1, 1946, for an additional 6 months or a year—see Washington Times-Herald, April 25, 1946.

Pertinent excerpts from the McKeever statement follow:

Strikes, the European famine, housing difficulties, and other economic factors have made it necessary to continue governmental control under these agencies for an indefinite period, McKeever said.

The liquidation program drawn up by George E. Allen, former District Commissioner, had called for ending the war agencies by July 1, with sundry provisions for caring for Government personnel so that their dislocation from Federal jobs would not be severe.

Besides the direct economic factor, the question of what action Congress is to take on several pending problems will decide whether several of the agencies are to be cut out immediately or carried on to finish jobs they carried on through the war. Notable in this group are: Selective Service, dependent upon congressional action on the draft; the OPA, dependent upon pending legislation; the War Shipping Administration, depending upon its transfer to the Maritime Commission or present direction of ships carrying food to Europe.

McKeever explained that while the actual liquidation has been delayed by these many and complex factors, the work on liquidating plans is being carried out and programs worked out for the eventual closing of each of the agency's wartime functions. Many of

these functions and a number of the personnel in these emergency set-ups are being transferred to old-line agencies.

The over-all picture of Government employment as shown by figures collected in the liquidator's office include: Peak employment in civilian Government functions June 30, 1945, including unpaid personnel and those out of the country, 4,100,694. On February 28 the Civil Service Commission reported the number had dropped to 3,213,694.

The peak employment in the so-called war agencies, exclusive of unpaid personnel, was reached with 189,156 June 30, 1943. It dropped to 59,970 on February 28. The War Department hit its peak of 1,375,457 June 30, 1943, and dropped to 745,487 February 28. The Navy Department dropped from a peak of 698,451 to 524,336.

A decided increase, however, is noted in all other old-line agencies. On June 30, 1943, at the peak for the other agencies, these old-liners had 831,269 employees while on February 28 they had increased to 1,071,874.

The increase is explained at the liquidator's office as due to upsurge at the Veterans' Administration and Surplus Board and because of transfer of personnel from war agencies to permanent departments.

While little hope is held for early liquidation of CPA, OPA, WSA, or Selective Service unless Congress abruptly abolishes them, many of the other war agencies have been abolished, cut to 50 percent, or will be wiped out by July 1 as scheduled, the liquidating office declares.

Clearly, McKeever, as a Presidential aide, has heard his master's voice and has "come to heel."

#### MR. M'KEEVER'S BACKGROUND

One fails utterly to find anything in Mr. McKeever's background to qualify him as an aide to the President, especially to direct and oversee the dissolution of the Government's war agencies.

Robert L. McKeever was for many years, and still is, in the real estate business in Washington, D. C. Some years ago his firm was known as McKeever & Goss; but that organization dissolved, and he went it alone, and is now listed as Robert L. McKeever Co., Shoreham Building, Washington, D. C. It is reliably reported that about 2 years ago he went through bankruptcy in Maryland, but the details of that proceeding are not presently known.

Timed as is the McKeever statement, it seems apparent that it is mere propaganda designed to support the OPA in its present travail, as well as support for the continued enlargement and expansion of Government.

[From the Washington Times-Herald]

#### CAPITOL STUFF (By John O'Donnell)

On the record of political doping since the early years of the New Deal, the Dunn survey has an impressive record of close guesses that demands respect. When a competent survey shifts its opinion within a year—and for the first time in its prognosticating history—it's significant.

A year ago, Dunn Survey reported to its clients that they believed GOP '44 White House candidate, Governor Dewey, of New York, had a poor chance to win reelection in the gubernatorial contest next November.

Dunn's current survey reports, "We predict that Senator JAMES MEAD, as Democratic-American Labor CIO-PAC candidate for governor would be defeated by Dewey.

"The more left wing is the Democratic candidate for governor (in New York State) the poorer his chance for election."

(In 1938, the Dunn survey reported that Dewey would get 49.7 percent of the vote. Actually, Dewey got 49.3. Four years later, the Dunn Survey hit it on the nose. They predicted 53 percent of the vote for Dewey. He got 53.)

We note—and in this we disagree with the distinguished experts—that the Dunn dope as of today declares: "We expect Democrats to win control of the House of Representatives (in next November's election) and to increase their majority—but only because of the (Federal) pay-roll vote."

Other predictions: In Pennsylvania, GOP Governor Martin to defeat New Deal Stooze Senator JOE GUFFEY in the Senate fight; in ever-important Ohio, present White House aspirant, former Governor John Bricker to be elected United States Senator; in Truman's Missouri, the Democratic candidate for United States Senate to be elected—"but only because of the Federal employee vote."

In studies of a few months back the same survey went on record with the prediction that neither Dewey nor Minnesota's former Governor Harold Stassen would be GOP nominee in 1948. At the same time, it stuck to its position that in the coming congressional elections, the Democrats, despite Truman's waning popularity, would carry the House by a victory "of landslide proportions."

The reasoning, according to Dunn's survey, is this: "The time, effort, and money, spent in building up Republican candidates for the Presidency have no value so long as the administration can hold and control a pay-roll vote. We know of no Republican effort to meet the pay-roll vote."

Well, just how powerful is this Federal pay-roll vote that tips elections? We know that way back in 1936 when Harry Hopkins was running WPA, it was the vote of these millions and their relatives in the boom-dogging and leaf-raking era that gave F. D. R. his thumping victory over Alf Landon and 4 years later enabled him to lick Wendell Willkie.

Well, we've had a war since that time. Despite the millions called into service, civilian employees of the Federal Government continued to mount. In the 9 key political States, the number of Federal job-holders jumped from 986,000 just before the congressional elections of 1942 to 1,177,000 last November 1.

This is a gain of 20 percent—a healthy and powerful block of controlled votes when you think of the sisters, aunts, cousins, etc., whose sense of gratitude will naturally influence them to vote on the side of Santa Claus and the Treasury pay check.

Here are the latest figures on the Federal pay-roll votes in the critical States which decide national elections:

	Nov. 1, 1945	July 1, 1942
New York.....	260,000	211,000
Pennsylvania.....	166,000	189,000
Illinois.....	120,000	98,000
Ohio.....	95,000	90,000
California.....	281,000	155,000
Michigan.....	45,000	37,000
Massachusetts.....	88,000	104,000
New Jersey.....	69,000	58,000
Missouri.....	53,000	44,000

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, a comprehensive program for development of the Missouri River Basin has been undertaken on a coordinated basis by the Corps of Engineers, the Bureau of Reclamation, and other agencies of the Federal Government. This far-reaching plan for converting waters of the Mis-

souri and its tributaries from destructive to constructive forces, affects not only the people of the basin but will have a decided influence on the welfare of the whole Nation. Congress approved this great project by passage of the Flood Control Act of 1944. For the present fiscal year funds were appropriated which made possible a good start on construction of the initial stage as well as continuation of planning and investigations for future phases of the general plan.

The budget recommendation for activities of the Bureau of Reclamation and other Interior agencies in the Missouri Basin during the next fiscal year total \$23,783,600. This amount is based on a coordinated plan which provides for work on the project to proceed with maximum efficiency. The extent to which the activities of various agencies have been integrated into one unified plan is unusual and noteworthy. This fact, however, serves to magnify the damaging effect of any reductions in the appropriations recommended by the President and the Bureau of the Budget. The people of the Missouri Basin have waited a long time for relief from the effects of flood and droughts. They are counting on Congress to provide the funds necessary for this program.

Of particular importance to the overall plan of development is the continuation of investigations and surveys of units proposed for construction in later years. The greater portion of units included in the approved plan for development of the Missouri Basin are still in the investigation and planning stage. Without adequate funds for continuation of planning at this time the ultimate development will be impossible to achieve in an orderly and economical manner.

The works covered by this appropriation bill are largely self-liquidating irrigation projects which also contribute to flood control and other purposes. In Kansas and the other Plains States our agricultural economy needs the stabilizing influence of irrigation projects. The hazards of dry-land farming are illustrated by rainfall statistics at my home town of Concordia, Kans. In April 1945, we had 4.73 inches of rain and in April 1946 we had only 0.94 inch. As most of you know, April is a crucial month in grain-farming operations.

The approved Missouri Basin development plan provides for ultimate irrigation of 193,000 acres in the State of Kansas. The streams which would be regulated include the Republican River and the Smoky Hill River which, with their tributaries, feed into the Kansas River, one of the main auxiliaries of the Missouri. If adequate funds are provided at this time construction can be started on units in Kansas during the next fiscal year.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. ROCKWELL].

#### THE TAYLOR GRAZING SERVICE

Mr. ROCKWELL. Mr. Chairman, the Taylor Grazing Service was set up under the Department of Interior "to stop injury to the public lands, by preventing overgrazing and soil deterioration, to provide for their orderly use, improve-



ment and development, to stabilize the livestock industry dependent upon the public ranges," and so forth. The first Grazing Director, Farrington R. Carpenter, of my State of Colorado, was appointed at the request of the author of this measure, my predecessor and the former chairman of this Interior appropriation committee, Hon. Edward T. Taylor. Mr. Carpenter had most unusual equipment for the job of setting up this new agency in that he was born and lived his early life in Chicago, is a graduate of Princeton University and Harvard Law School and yet since about 1912 has been a resident of Colorado and an owner and operator of a successful registered Hereford ranch in the mountains of that State. He did not use these public-grazing lands himself, but he was familiar with the bitter quarrels between sheepmen and cattlemen over jurisdiction of these areas and the waste caused by overgrazing during the few weeks or months that stock was grazed there, because of lack of any Federal or State supervision. In setting up the Grazing Service, Mr. Carpenter not only provided supervision for the proper grazing, conservation, and protection of these last remaining public lands, but he provided for the decentralization of this agency so that it would be generally responsive to the local users who pay the taxes and represent the backbone of our western civilization.

To accomplish this purpose, grazing districts were set up with local, State and National advisory boards elected by the sheepmen and cattlemen respectively. These boards meet at regular intervals and with the regional or local grazier, go over each permit or administrative problem to decide the amount of stock the ranges will carry and who has prior rights to the grazing lands available. The final authority as to the number of stock that may be grazed and the rights of each permittee, of course, remains with the Grazing Service. However, the 60 grazing districts with the grazing boards representing the stockmen who use the lands and the Grazing Service representing the Federal policy have worked out their differences with their feet under the same table and a knowledge of all the facts before them. It is a far cry from the policy of most other Federal agencies who try to direct and give all orders from their headquarters in Washington. In fact it has proved so successful that there is a growing demand among western cattlemen for a similar set-up in the National Forests Grazing Service.

I wish I could show you who have never been West, just what those rights mean to the stockmen where these remaining public grazing lands remain. In 1941, the total gross area of the grazing districts in the 10 States where these public lands exist amounted to 256,481,600 acres, of which 140,553,230 acres are public lands included in this act. This varies from 17 percent of public grazing areas in Montana to 69.4 percent in Nevada and 69.3 percent in Utah. The valleys where irrigation water is available have been homesteaded by settlers and are used for farms or ranches. If these ranch or farm lands are near the rail-

roads or have good roads for transportation, they may be used for the raising of sugar beets, fruits, beans, grain and other cash crops. However, if they are away from the railroads as most of them are, production must be in hay and grain that can be fed to four-footed animals and driven, often for several days, to the nearest railroads and then shipped perhaps a thousand miles to a central market. Here the privilege of using the public ranges, generally both National Forest and Taylor Grazing, is almost necessary; the other alternative being to sell hay and forage to those who have these rights.

It is a most complicated situation and one that can only be properly and fairly handled by the people in those areas themselves. The rights to these public ranges are based on length of use and commensurability. Commensurability means that no stockman can procure a permit unless he can each year show that he owns or leases sufficient crop and pasture lands to care for his stock when they are off the public grazing lands. In my State of Colorado few use the Grazing Service for more than 6 or 8 weeks. During most of the year these Grazing Service lands are as bare as the desert. They are, in fact, the remaining lands after 80 years of homesteading in the West. In 1905 the Forest Service was set up to take over the conservation of grazing, water, timber, and soil in the upper areas. The Taylor grazing lands are the low, dry, bad lands, the left-over lands. They do, however, have a necessary value for a few weeks in the year to round out a cattle or sheep outfit. These 141,000,000 acres are not fenced and water holes have generally long since been filed upon and in private ownership.

The use of these grazing lands is generally restricted to short periods between the time the cattle or sheep are being fed at the home ranches and the time they can be placed in the high ranges of the Forest Service.

For several years the stockmen of the west, as well as this Appropriation Subcommittee, have viewed with alarm the apparent effort of the Interior Department to develop this Grazing Service into another large Government bureau. Through their advisory boards, the users of these public ranges have protested this growth and have based their objection upon statements made by former Secretary Ickes at the time the act was passed. When the Taylor Grazing Service was under consideration, Secretary Ickes told Congress "we have no intention of making this a revenue producer at all. We would like the range to pay its own administration, but nothing more."

The livestock users of these grazing districts are not asking for special favors. They are willing and expect to pay their share of the cost of administering the Grazing Service, but they strenuously object to being asked to pay for services and expenditures such as soil conservation, access roads, flood control, fish and wildlife undertakings, and other developments about which they are neither consulted and often do not approve. Strangely enough, by the end of the fiscal year 1946, the Grazing Service will have collected in grazing fees from those using

these ranges an estimated \$7,727,000, as compared to a total appropriation for salaries and expenses of the Grazing Service during this same period of \$7,995,210. In other words the 22,000 users of these Taylor grazing lands have actually paid during the period of the existence of this act approximately the total amount spent for the administration of these lands, according to the agreement at the time the agency was created. Even so the Grazing Director has stated that one-third of the activities of the Grazing Service should not be charged to livestock. The stockmen do not feel that they should be held responsible for congressional action providing that 50 percent of these fees be paid to the States from which they were collected and 25 percent set aside for range improvement. If a greater proportion of these funds should be paid into the Federal Treasury, Congress should modify the Taylor Grazing Act and not hold the stockmen responsible for the previous action of Congress.

Shortly after the present Grazing Director C. L. Forsling was appointed he stated, at a meeting in Salt Lake City of the National Advisory Council of these range users, that he planned to recommend to the Secretary of the Interior an increase in grazing fees to 300 percent of the present level for use of these public ranges on the basis of their commercial value and the prices that privately owned and State leased lands nearby were being sold and leased. It is impossible to compare fenced pastures, privately owned lands with water rights, lands leased for specific purposes such as lambing grounds, with the low quality, unfenced lands of the Grazing Service, even if the purpose of the act did not specify otherwise. These are the remaining left-over public lands, after 80 years of private acquisition under homestead and other public-land laws. They are the dry lands to which no one can afford to acquire ownership under any of the public-land laws. In fact, the livestock grazed on them generally lose weight during the few weeks or months they graze there, in spite of the common practice of feeding them purchased supplementary feeds.

The suggestion of Director Forsling was met with an immediate and unanimous opposition. The controversy became so bitter that about a year ago the Senate Committee on Public Lands and Surveys appointed 15 Senators to hold hearings in each of the 10 Western States where these lands are located. Chairman PETERSON, of the House Public Lands Committee, requested that members of his committee who reside in any of these States attend the meetings for his committee. This we did. The hearings are just now being printed and they contain the Senate committee's findings and recommendations. The Senate Committee on Public Lands and Surveys has summarized its findings from these hearings in the West as follows:

First. The livestock industry using the grazing districts is in a deficit net earning position, facing great uncertainties in the immediate future and are not prepared to absorb higher grazing fees.

Second. The sheep and wool industry is already in process of drastic liquidation.

The statement explains this as follows:

The result of the disparity between the livestock market prices and the ranchers operating costs has been to place the range livestock producer in a less and less favorable net-earning position. A study of production costs in the sheep industry of the Western States by the United States Tariff Commission for the 5 years, 1940 to 1944, disclosed that the highest net earnings were attained in 1942 when the profit was \$1.14 per head of sheep. The following year there was a net operating deficit of \$0.12 per head; and in 1944 the net loss was \$1.22 per head. These operating losses are causing a drastic liquidation in the sheep-producing industry, particularly in the 11 western range States, where this decrease amounts to 28.8 percent.

Third. The only range study made by the Grazing Service in 1941, when net earnings of the livestock industry were at or near a peak, showed that ranchers had no net earnings to pay any grazing fees for public lands after deduction for taxes and interest on investment.

Fourth. No increase in grazing fees can be justified at this time, nor until a careful and unbiased study of the factors involved has been made.

Fifth. Any grazing fees charged should not be increased beyond the ability of the livestock users to pay, and to maintain those base properties, lands, and waters which the Taylor Grazing Act and the Grazing Service regulations require them to control, as qualifications for grazing permits.

Sixth. Grazing district users are alarmed by the rapidly increasing administration costs in Grazing Service.

Seventh. If grazing fees are to be based on administration costs, users should have a voice in limiting these costs and in restricting services involved to those desired by them.

In the meantime the National Advisory Council, representing the 22,000 users of these ranges, have made the following recommendations:

(a) A study of the cost of administration of grazing lands for grazing purposes only should be completed and presented to the council.

(b) Any fee finally fixed must be based on a direct relation to the reasonable cost of administering public lands for grazing purposes only and nothing more.

(c) By amendment the Taylor Grazing Act should provide that fees paid by grazing users of the grazing districts be used for administration only.

(d) With such provisions in the act, grazing users will finance and maintain range improvements desired by them.

The members of the House committee have not had the opportunity to read and study the recommendations of the Senate Public Lands Committee, or they would not, in my opinion, have offered these drastic cuts in appropriation for the service. I think the stockmen of the West generally disapprove the increases asked for the past 2 years by the Grazing Service and the Bureau of the Budget over what they received before, but they want this service continued along present lines until a committee of Congress has time to study the Senate hear-

ings and call these men in and, with the Grazing Service, break down the costs and justify any increases asked. In the meantime, the present fees collected practically equal the cost of the administration of this act as presently carried on, and the 22,000 permittees who are the backbone of the livestock industry of the West should not be penalized as they are in this bill. The appropriation should be carried at the amounts granted during the previous 2 years. If we deduct the cost of that part of the administration which is in the general public interest, and, therefore, not properly charged to livestock, the fees as now paid by the stockmen will considerably exceed the cost of administration as provided in previous appropriations. In fact, the stockmen are paying for this Grazing Service more than four times the amount of the appropriation carried in this bill. This is contrary to the understanding and statements made to these western stockmen at the time this measure was passed. The Senate, through their Public Lands Committee, are on record in this regard, and I feel sure the House committee will restore these appropriations to the amounts of the past 2 years and until such time as a careful and unbiased study can be made.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, we Members of Congress are fully aware of the danger of inflation. We have done and will continue to do everything in our power to prevent it. What inflation we have today is due to two causes: the war which threw our economy out of balance and to the errors in administration of OPA by Chester Bowles. His rules and regulations, in a great many instances, have prevented the manufacture and distribution of billions of dollars in merchandise the people need today.

The policy of the President in breaking the price line through an increase in wages throughout the Nation, whether justified or not, is extremely inflationary. The Congress, in its effort to prevent inflation, has cooperated with Mr. Bowles, but unfortunately he has not cooperated with the Congress.

We have reached the point in government where there is a greater danger facing the people than the danger of inflation, however serious it may become.

The No. 1 problem facing the people today is the preservation of representative government.

The people must understand the real issue before it is too late. The real test is, Will we be able to reserve the present philosophy of government which through regimentation and centralization of power in Washington is fast leading this Nation down the road to State socialism and turn back to the people their Government of individual freedom and liberty which has served us so well in the past?

That test places the responsibility not only upon Members of Congress, but upon every thinking citizen of every congressional district throughout this great Nation. We cannot reverse the trend, we cannot save representative constitu-

tional government, unless we hold fast the support of the thinking people of America.

The greatest threat and danger to representative government in America today is the Government propaganda machine with its headquarters here in Washington. It is headed by big government and bureaucracy. It is supported by radical organizations headed by the Communists of New York, the mouthpiece of which is the Communist Daily Worker newspaper. It is supplemented by a political tie-up with Sidney Hillman who speaks for the CIO Political Action Committee, an organization which brazenly tells the people through the press, that they will spend millions of dollars in the next congressional campaign in an effort to defeat 100 Congressmen who refused to do their bidding. This organization reports they will spend millions of dollars to accomplish their ends. If they can accomplish this they will take over control of the Federal Government through the Congress at the next November election.

The New Deal uses this Government propaganda machine for political purposes. It is estimated there are now on the Government pay roll over 45,000 publicity men.

In order to determine just what it costs to operate this Government propaganda machine, Senator FERGUSON requested an estimate of the expenditures for education, informational, promotional, and publicity activities. Mr. Lawton of the Bureau of the Budget, who speaks for the President, in response to this request, brought to the Senate Subcommittee on Appropriations, a list of expenditures which appears on pages 17, 18 and 19 in the hearings. These expenditures for the fiscal year 1946 reached the stupendous sum of \$74,829,467. For informing the country about OPA, not including the printing of ration books and such regular printing matter, but for radio, motion pictures, script writers and general publicity, which I term largely propaganda, OPA is spending in 1946 \$2,572,000. These are not my figures but the figures from the Bureau of the Budget and cannot be contradicted. The Congress gave Chester Bowles for OPA \$150,171,000 for 1946 and he employed 31,784 employees in an effort to hold down the cost of living.

Let us see why Chester Bowles and later Paul Porter were appointed to head the OPA. Let us analyze their business experience.

Chester Bowles is reported to have made a million or more dollars as the director of an advertising agency. He is a No. 1 publicity man, knowing a great deal more about publicity than he does about business generally.

Paul Porter, a former newspaper writer and one of the publicity men for the Democratic National Committee, recently was appointed to succeed Mr. Bowles who was moved up to the position of Administrator of Economic Stabilization. Is it just a coincidence these publicity men were appointed?

Here you have two advertising or publicity men who have never had a wide experience in general business. These men during 1946 have \$2,572,000 of the taxpayers' money for the purpose



of putting out a line of publicity through the press, the motion-picture theaters, and over the radio, much of it used to influence the thinking of the people. I charge they both color their publicity politically in favor of the administration they serve.

The Congressmen who are seriously working long hours every day in an effort to help safely steer the ship of state and to protect the interests of the people, do not have the publicity organization, the time, or the money with which to present the reason for congressional action on various important legislative matters.

Bowles and Porter, and others, head the propaganda machine of the Nation through the press and over the air. They are supported generally by the Communists and radicals of New York, by Sidney Hillman of the PAC, and by a half dozen administration supporting radio commentators who join in with a veritable deluge of sensational half-truths and at times falsehoods as to what the action of Congress has been and why they have taken such action.

Recently when the Members of Congress sought to write into the law amendments that would confine Paul Porter of the OPA to a definite course, which would make OPA more workable in the interests of the people, and which would prevent him from issuing rules and regulations that were slowing down the manufacture of goods the people need and seek to buy, Chester Bowles rushed on the air, commandeering all networks, and shouted the doctrine of fear to the people stating we had wrecked OPA before the bill was finally voted on. With such deceptions he held up the specter of fear, the fear of ruinous inflation. These same commentators and writers immediately followed suit, condemning the Members of Congress and shouting fear to the American people.

It was Henry Thoreau—born in 1817—who coined the statement "nothing is so much to be feared as fear itself." This is tragically true. Fear is one of the most paralyzing forces man has to combat. Physical fear is the least of fears. Chester Bowles, as an advertising man, knows better than anyone in America how to get the most out of fear. His intent was to instill the fear that the action of Congress would bring about ruinous inflation to all of the people. The fear of the future he sought to instill into the minds of the American people. He knows that the deliberate use of fear psychology is the greatest weapon he has in an effort to influence the thinking of the people.

Let me point out how wrong they have been in the past. When practically the same conservative Members who supported these amendments passed the Smith-Connally bill in an effort to stop strikes during wartime, and passed it over the President's veto, which today gives President Truman the only legislation he has to cope with the coal-strike situation, this same group of radio commentators assailed the Members of Congress in a terrific drive and made an issue of it in the 1944 campaign. Time has proven they were wrong then, as they are wrong now.

When we passed legislation in the Seventy-eighth Congress to give the sol-

diers the right to vote a State ballot, they supported the short Federal ballot and made a vicious campaign through the press and over the radio condemning we Members and accused us of attempting to keep the soldiers from voting. The soldiers refused to vote this short ballot without any names on it and 98 percent voted the State ballot, only 2 percent voting the short ballot. Secretary of War Stimson, in his report to the Congress, pointed out that in attempting to get the short ballot to the soldiers many soldiers lost their lives, and practically recommended that the ballot was worthless, unworkable, and the short ballot should be repealed. The Congress unanimously repealed the short ballot 2 months ago and not one of these radio commentators who supported it even told the public it had been repealed.

When the unnecessary work-or-fight bill was up a year ago to draft every man and woman in America, those of us who opposed and defeated it were condemned in a vicious campaign over the radio by these same commentators.

Some 2 months ago when the same conservative group of Congressmen in the House passed the Case bill in an effort to honestly define and protect the rights of labor, business, and a hundred million people who make up the public, this same group of left-wing commentators condemned us Members of Congress who sought to bring about industrial peace in the interest of the Nation which is so much needed today.

If they can destroy the confidence of the people in their representatives, they will destroy representative government which protects the liberty of the people of this Nation. If they destroy representative government, the people in the future will have no Congressmen to protect their interests. If they destroy representative government which has protected the liberties of the people for 165 years the best we can hope to get out of it will be a socialized state, a government that rules the people without the use of any representatives of the people.

Socialism is the twilight zone leading to communism. Communism is widely fostered in America today and exerts a hundred times more influence in Government than its numbers indicate. Communism in America takes its party line and principles from communism abroad. There are two conflicting ideologies of government in the world today—communism, and the government of liberty or free enterprise. Communism is restless and on the march. Its godless advocates are shrewd and cunning; they scheme and work in devious ways constantly. Communism is aided, whether ignorantly or by design, by a host of left wingers who deny the faith, but whose every effort speeds communism on its way here in America.

When Mr. Bowles goes on the air and tells the American people that the lobbyists are crowding the hotels of Washington and the corridors and hallways of Congress, that the greedy men representing big business are camping on Capitol Hill and implies they are unduly influencing Congress, he does a disservice to the Nation. He knows and every Mem-

ber of Congress knows that those statements are gross exaggeration.

I have yet to find a Member of Congress in the nearly 4 years I have been here who has indicated to me that any lobbyists sought to bribe or unduly influence his vote on legislation. I can say for myself personally that I have not yet met one of those bold, bad lobbyists while I have been here in an effort to try to serve the people of my district and the Nation.

Drive upon drive has been made on Washington by hundreds of men and women of the PAC from New York and as far west as Chicago and Milwaukee. Hundreds of them called us Congressmen to a meeting with them one day to discuss legislation. I saw nothing wrong in getting their viewpoint. A thousand men and women marched on Washington a few days ago representing the New Deal philosophy in support of the OPA, seeking to influence the Members of the House and Senate. I do not know whether Mr. Bowles calls these people lobbyists or not; they are the nearest to lobbyists that I have seen.

When hearings are held on such bills as on the housing bill and on the OPA, men at the head of such organizations as the Farm Bureau, the Illinois Agriculture Association, the dairy associations, and men representing the lumber interests, the building interests, labor organizations, and economists are invited by the committee to come to Washington and testify. They are generally called by the chairman of the committee, an administration Democrat who represents the President and his party. They are invited to give expert testimony and to produce statistics as to what type of legislation will do the most good and the least harm to the country.

Yet Chester Bowles would have you believe that they come here as greedy monopolists against the interests of the people seeking to line their pockets in the future by legislation beneficial to them. He is giving the people of this country the wrong picture. His speeches over the radio and his press announcements crying out against imaginary lobbyists tend to break down the confidence of the people in their own representatives, tend to destroy representative government in this country. He should stop this destructive practice.

I have faith that the American people who have been fed this doctrine of fear, who have heard the Members of Congress defamed and unjustly criticized by the left-wing commentators have become so fed up on this false propaganda that it is now having little effect on them. They see through it.

Mr. Chairman, every Congressman wants to prevent ruinous inflation. I do not believe there is any group of men in the Nation who are doing more to prevent inflation than the Members of Congress. They are serious men who realize the great responsibility resting upon them. They are interested in the welfare of their constituents, and they realize their great responsibility to the Nation.

If the people will keep their faith in their own elected representatives who are honestly and sincerely trying to serve

their best interests we can save representative government.

If the people lose faith in their representatives and place their faith in the big bureaucrats who they cannot recall by their vote on election day, if they place their faith in the radio commentators who draw big salaries, often giving them false propaganda, we will lose our form of government. Propaganda in the hands of politically deceptive men is the greatest threat against representative government that we have in America today.

Mr. JONES. Mr. Chairman, I yield 20 minutes to the gentleman from Kansas, [Mr. WINTER].

Mr. WINTER. Mr. Chairman, I want to be one of the Members of Congress to publicly acknowledge my thanks to the committee for the fine piece of work it has accomplished in bringing in a bill with a 50-percent reduction over that which the Budget asked for.

There is a matter I want to talk to the House about for a few minutes, and I know of no better time than when we are considering an appropriation bill to discuss it.

A sound government fiscal policy is imperative if we are to maintain the economic stability of this Nation. One of the greatest contributions that could be made to this cause would be for the Federal Government to begin living within its income.

If we continue mortgaging the future income of this Nation, spending more than we take in each year, this Nation at some time in the not too far distant future is headed for an economic tailspin that will destroy our system of government, produce economic chaos, financial ruin for our people, and bring about the worst depression the world has ever known.

There is undoubtedly a saturation point somewhere in deficit spending which we dare not go beyond and the only way to avoid reaching that point is for the Federal Government to live within its means and begin reducing the national debt.

With the hope of contributing something constructive toward bringing about a balanced budget and stopping deficit spending by the various agencies of the Government, I have today introduced a bill to place each department and establishment of the Federal Government on a pay-as-you-go basis and to eliminate deficit spending by Government agencies.

The bill provides that the Ways and Means Committee of the House shall on or before the 1st day of October of each year make an over-all estimate of Federal revenue for the ensuing fiscal year and that the chairman of the Ways and Means Committee shall on or before the 15th day of October of each year cause to be certified to the President of the United States, the Director of the Bureau of the Budget, the Committee on Appropriations of the House of Representatives, and the Committee on Finance of the United States Senate the estimated amount of revenue to be produced from all sources for such fiscal year. The bill further provides that the

President in making up his budget and transmitting it to Congress shall set out: First, the amount necessary to pay the interest on the national debt; second, at least \$2,000,000,000 to reduce the national debt; third, the amount necessary for the legislative branch of the Government and the Supreme Court of the United States; fourth, not less than 10 percent of the estimated revenue for supplemental appropriations during such fiscal year; and fifth, the President shall allocate the balance of said estimated revenue among the other departments and establishments of government as in his judgment will provide the greatest economy and efficiency in the conduct of the public service.

The bill further provides that the President shall not submit a budget to the Congress with expenditures which exceed the amount of estimated revenue for such fiscal year.

The bill requires the Director of the Bureau of the Budget on or before the 15th day of January of each year to transmit to the head of each department and establishment of the Government a statement showing the amount of funds allocated to such department or establishment as set out in the President's budget message to the Congress.

The bill further provides that the heads of each department and establishment of the Government shall arrange the fiscal affairs of their department or establishment to conform with the amount of funds allocated to such department or establishment as set out in the President's budget and transmitted to the Congress.

The bill further provides that no request for an increase of the amount allocated to any department or establishment of the Government shall be submitted to the Congress or any committee thereof, by any officer or employee of any such department or establishment, unless at the request of either House of Congress.

The provision in the bill requiring the certification of the estimated amount of revenue to the Appropriations Committee of the House and the Finance Committee of the Senate is for the purpose of having before these two committees the amount of such estimated revenue, together with the President's budget, when they are considering the various appropriation bills for the ensuing fiscal year.

The effect of this bill, if enacted into law, would be to cause the Federal Government, with all its many agencies, to live within its means and to gradually reduce the national debt.

Under existing law each department and establishment of the Federal Government submits its budget estimates to the Bureau of the Budget, and from these estimates the Bureau of the Budget prepares the budget which the President submits to Congress on the first day of each regular session.

This budget is based almost entirely on estimates of the expenditures which the various departments and establishments themselves request for their support for the ensuing fiscal year, without taking into consideration the estimated Federal receipts for such fiscal year.

If the provisions of this bill were to become law the President could not submit a budget to Congress calling for appropriations in excess of the estimated Federal revenue for the ensuing fiscal year as certified to him by the chairman of the Ways and Means Committee of the House. In other words, such a law would require the President to prepare and submit his budget to the Congress based on the estimated Federal income, as determined by the Ways and Means Committee of the House of Representatives, rather than on what the various departments and establishments of the Government desire to spend.

The Bureau of the Budget would be required to notify the head of each department and establishment of the Government not less than 5½ months prior to the beginning of each fiscal year the amount of funds which had been allocated to such agency, and the head of the agency would then be required to arrange the fiscal affairs of his department in accordance with the estimated funds allocated to such establishment or department.

Under the terms of this bill the President would be required to consider the relationship between income and outgo in preparing his budget. This seems to me to be a sound businesslike manner in which to bring about responsible management of the Government's fiscal policy on the part of the executive branch of the Government. The only way any successful business can remain on a sound fiscal basis is to keep its outgo within its income, and this is equally true of government.

The argument will be advanced that there is no way to adopt a pay-as-you-go system for the Government except by Constitutional amendment. That is obviously true insofar as the Congress itself is concerned. However, it is not correct as to the various departments and agencies of Government. There is nothing in the Constitution which would prevent the Congress from saying to the President, "You must arrange the fiscal policy of the various departments and establishments of the Government so that you can submit a budget to the Congress with expenditures which do not exceed the estimated revenue for the fiscal year."

Of course, the Congress, if it wanted to, could appropriate more or less than the estimated receipts. But I do not believe that Congress, after such estimated receipts have been determined by action of the Congress, and a budget has been submitted by the President based on such estimate, and the various Government agencies had arranged their fiscal affairs to conform with the amount allocated in the Budget, would appropriate funds in excess of such amount except in case of war or some other great national catastrophe where the security of the Nation was threatened. At least it is worth trying. It cannot possibly be as bad as the haphazard system under which we are now permitting the bureaucrats to write their own ticket without regard to whether or not the Federal Government has suffi-



cient income to meet the obligations created.

We all know that billions of dollars have been spent by the Federal Government, and appropriations made therefor by Congress, just simply because they were part of some President's program. Under the provisions of this bill the President would have to set up his program within the estimated Federal income for the fiscal year. The Congress would set up the pattern by which the President would have to cut the cloth. In other words, he would have to decide what part of the estimated revenue he would allocate to each department and establishment of the Government instead of putting it on the cuff if the expenses exceed income as is now the case.

The provisions of this bill would prohibit any officer or employee of any department or establishment of the Government from submitting a request for an increase in the amount allocated to such agency unless requested to do so by either House of Congress. This provision of the bill would prevent the so-called bureaucrats, with whom Government spending is so popular, from exerting great pressure on Congress to increase the amount allocated by the President to any such agency. In other words, unless requested by Congress, no Government bureau could ask for an increase of the Budget allotment.

I have been informed that the Budget, now under consideration by the President and the Bureau of the Budget for 1947, calls for expenditures of \$35,100,000,000 with estimated revenue of only \$31,500,000,000, which makes an estimated deficit of \$3,600,000,000. If the provisions of this bill were the law the President could not submit a Budget to the Congress for the year 1947 in excess of the \$31,500,000,000, and in that amount he would have to include a payment of not less than \$2,000,000,000 on the principal of the national debt. There could be no deficit submitted by the President to the Congress at all.

In the State of Kansas, of which I have the honor of representing the Third Congressional District in this body, we have had a cash-basis law for several years, which requires all subdivisions of the State to operate within their income, and it has had a most wholesome effect upon the economic stability of the State and has reduced wasteful and inefficient spending of public funds to a minimum.

Unless we stop extravagant, reckless, and inefficient spending by the various departments and agencies of the Federal Government we are gambling with the solvency of this Nation and the savings and investments of our people. Twelve percent of our national debt of \$276,000,000,000 is held by governmental units; 24 percent by individual citizens; 45 percent by banking institutions; 11 percent by corporations, and 8 percent by insurance companies.

At the close of the year 1945 every man, woman, and child's share of the national debt was approximately \$1,800 and by the end of this fiscal year, July 1, 1946, it will have increased to approximately \$2,000 per capita. In 1930 the per capita debt was only \$131.50. This is indispu-

table evidence that the United States has been living far beyond its means ever since 1930 and there seems to be no indication of any immediate change in this policy on the part of the administration.

Does not the welfare of every man, woman, and child in this Nation require a change in this policy? There is obviously only one answer. If this Government can be required to live on a pay-as-you-go basis in peacetime, and at the same time reduce the national debt as little as \$2,000,000,000 a year, it would be the greatest incentive we could offer to the business of producing goods, supplying jobs, decreasing taxes, providing security, and protecting the savings and investments of our people.

The Federal Budget can be balanced. But unnecessary and wasteful Government spending will have to stop in order to make it possible. The Federal Government is going to have to stop paying out billions of dollars annually in subsidies under the guise of stabilizing prices. The States and local governments are going to have to assume the responsibilities and functions that rightfully belong to the States and local governments instead of the Federal Government furnishing grants-in-aid to these branches of government for every kind of a project that the bureaucrats can think up in order to keep themselves in a job on the public pay roll.

One of the conditions that has materially increased the cost of Federal Government is the assumption by Federal agencies of a large portion of State and local government responsibilities and obligations. The degree to which this has been accomplished is best illustrated by the fact that in 1911 total tax collections by Federal, State, and local governments were less than \$3,000,000,000, and the Federal Government's share was less than one-fourth, and the State and local government's share was over three-fourths. In 1945 total tax collections were nearly \$51,500,000,000, and the Federal Government's share was more than four-fifths, while the State and local government's share was less than one-fifth.

The President has asserted that it is his aim to balance the budget and start cutting down the national debt. This certainly is pleasing to the American taxpayer. However, the fact is that very little effort, if any, has been made so far on the part of the administration to balance the budget. A study of the proposed expenditures in the President's 1947 budget will disclose a deficit of over \$3,500,000,000 above the estimated Federal income for 1947. There is at least \$8,000,000,000 of proposed expenditures in the President's 1947 budget which is open to challenge as unnecessary in a peacetime economy.

Applying the provisions of the bill I have introduced to the estimated revenue of \$31,500,000,000 for the fiscal year of 1947, the President would have \$19,000,000,000, after making the fixed budget allocations as the bill requires, to set up the various departments and establishments in the executive branch of the Government. This is three and a half times what was spent in any one year by

the Federal Government from 1930 to 1940 for all purposes, and surely the President can find the cuts needed to bring his budget within this amount. Of course he will have to reduce, instead of increase, as the proposed 1947 budget does, the number of Federal employees, which now stands at over three million. He will have to make reductions in many of the pet projects of the various Government agencies to keep his budget within the estimated Federal revenue. But this can be done if the Congress will say to the President, "Here is the pattern, you must cut the cloth to fit it."

This bill, in my judgment, provides a sensible businesslike method for an orderly and responsible preparation and management of the fiscal affairs of the various Government agencies and I sincerely hope that the Congress will give it favorable consideration.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield.

Mr. CARLSON. I wish to compliment the gentleman from Kansas [Mr. WINTER] for calling the attention of the House to this proposed legislation, and to assure him that I shall be very glad to assist in any way I can to secure approval of legislation that will bring about a sound financial condition in our Government.

Mr. ROONEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, the Department of the Interior, which is the guardian and custodian of the natural resources of the country, has been struck a heavy blow in the appropriation bill which is now before the House. I say a heavy blow because the bill cuts nearly in half the appropriations recommended by the President as part of his postwar program for developing the facilities of our country for the peacetime use of the young men and women who fought and won our recent war. It is also a heavy blow because a study of the particular items recommended for decrease does not reveal a consistent policy for elimination of doubtful or even unnecessary functions, but indicates a desire to make a sweeping and spectacular reduction even if it restricts or hamstring the activities of individual bureaus.

While the present bill provides for roughly one-half the appropriation recommended by the Budget Bureau, it is also \$24,000,000 less than the amount appropriated for the fiscal year 1946. The 1946 budget was essentially a wartime budget based on the Department's program for concentrating upon those activities which would make the greatest contribution to the winning of the war. With the ending of the war, the Department has moved rapidly to liquidate its purely wartime functions, has adjusted some wartime activities such as its mineral-utilization program, to serve peacetime objectives, and has begun resumption of its normal peacetime activities which were either eliminated or placed on a maintenance basis during the war.

I do not need to tell this House of the important work that Congress has assigned to this Department over the years. Not only the Western States, with their

problems of reclamation, grazing, minerals, oil conservation and protection and fostering of the remaining Indian tribes, but all the States with their national parks and historic monuments and fish and wildlife refuges and other projects are given Federal Government cooperation in their local problems through the medium of the Interior Department.

Now, what has happened to our Federal responsibility to the people of the various States on these matters in the bill before us?

We are asked in this bill to cut in half our service to the citizens of these States, to reduce drastically the recommended program of the President for development and use of natural resources for the greatest good of the greatest number.

The President's request for the many important functions of the Department was \$347,000,000. This bill recommends \$175,000,000. I do not doubt that cuts can be made here and there when in the judgment of the Congress and the committee responsible to the taxpayer a particular function is unnecessary or the number of people asked for is out of line or the activity has been badly handled in the past. But, when we are asked to cut the President's request in half, that is another thing and we should look at it carefully.

First, let us compare this with what this House has already done on other appropriation bills this session.

When the independent offices appropriations bill for 1947 was before us the House lopped off \$47,000,000, less than one-quarter of the proposed reduction in this case. But that is not the whole picture. The President requested \$5,641,000,000 in the independent offices bill and the House gave him \$5,594,000,000.

Then we had the War Department civil functions appropriations bill. We cut \$36,000,000 from that. The President requested \$337,000,000 and the House gave him \$301,000,000.

Then there was the Treasury and Post Office Appropriations bill. We pared that one \$30,000,000, from \$1,634,000,000 to \$1,604,000,000.

The State, Justice, Commerce, and the Judiciary Appropriations bill was reduced from \$415,000,000 to \$359,000,000, a cut of \$56,000,000.

And perhaps the most nearly comparable appropriations bill was that which provided direct appropriations to the Department of Agriculture, exclusive of special and trust fund appropriations. For this the President recommended \$589,000,000. The House approved \$574,000,000. The reduction was \$16,000,000.

If you add all this up, the total appropriations in these five bills amount to \$8,432,000,000, a cut of \$185,000,000 from the amount recommended by the President, or only \$10,000,000 more than is proposed to be cut from this one appropriation bill alone.

I do not want to bother the House with a lot of statistics and percentages so I will not attempt to analyze these figures any further. However, they certainly show that in every other appropriation we have recognized that the President's recommendations had a sound basis and we have sought to improve on it with re-

spect to particular problems instead of slicing it down the middle as if it were a carcass in a Chicago slaughterhouse.

I am sure we all agree as to the desirability of reducing expenditures whenever possible. But do we want to do it all at the expense of the functions and services performed by the Interior Department?

Now let us see what we did to other departments on the important matter of construction which was cut so deeply in this bill. In the War Department civil functions bill, which is almost entirely construction, we cut \$36,000,000, or 10 percent. We left the 90 percent for dams, dredging, and general construction affecting flood control and navigation. Now in this bill, construction for the same general purposes, even though perhaps in reverse order of importance, we have cut 50 percent, leaving 50 percent of what the President recommended.

Now, I know the committee acted in complete good faith, but its members must have been mixed up on that one. The War Department's construction works could not be that much better than the Interior Department's.

What are some of the cuts which will restrict or hamstring the activities of the Department and its bureaus in carrying out the functions assigned to it by Congress and which are part of the President's program for placing the country on a sound peacetime basis?

The bill provides only \$212,500 to the Grazing Service for the administration and protection of 143,000,000 acres of Federal grazing lands, as compared to the President's recommendation of \$1,504,000 and an appropriation for the current fiscal year of \$1,121,470. An item of \$50,000 for fighting fires on or threatening public lands under the jurisdiction of the Grazing Service has been eliminated entirely from the bill and is to be provided for out of the \$212,500.

The result of this action would be to wipe out the Grazing Service and eliminate the administration and protection of 143,000,000 acres of grazing and watershed lands in 10 western States. The simple fact is that the amount provided in the bill for salaries and expenses would be barely more than sufficient to liquidate the Grazing Service and pay its loyal men and women their accumulated annual leave.

Another serious blow is the elimination from the bill of all funds, and language, intended for use in connection with travel and other expenses of members of advisory committees of local stockmen. Heretofore, there has been provided \$35,500 annually for this purpose. The Taylor Grazing Act, whose author was our late colleague and a former Appropriations Committee chairman, the late Edward T. Taylor, of Colorado, is unusual in that it provides for local advisory boards elected by the users of the grazing land to advise and assist in the administration of the grazing districts. There are 60 such boards with some 600 members who are rendering highly important service and providing a local voice in the administration of the range. The effect of failure to provide funds for

this purpose is tantamount to telling these advisory board members, especially the little fellows who otherwise could not afford to serve, that their advice and service and the democracy in Government that this system provides, are no longer wanted.

The Taylor Grazing Act is one of our monumental conservation laws. From the time of settlement until that act was passed, our vast public domain was a no-man's land free for all to use and abuse. The inevitable result was instability to the local settler who was dependent on these lands for a livelihood, and the depletion of the natural resources on these lands by overuse and fire. Most of these lands are parts of the watersheds of the streams which provide the all-important water for irrigation and power throughout the Western States. With neglect these watersheds become the hatching ground for floods and the source of silt to clog streams and fill reservoirs. Properly managed and protected they provide forage for livestock and big game and are the source of a usable water supply.

The failure to appropriate adequately for this work now will mean the loss of 12 years of progress since the Taylor Grazing Act was passed and the return to the former condition of dependent ranchers and depletion of the natural resources of these lands. Although these lands generally are the poorer lands which were refused by the homesteader, they are too important to the economy of the western one-third of the United States to abandon them now.

Take the Bonneville Power Administration, which has had such fine support from members of both parties in the Northwest. Roughly \$3,500,000 was allowed for operation and maintenance of the power-transmission system, marketing of power, and administrative expenses. The reason Bonneville has had such fine support on both sides of the House is that it is a self-liquidating project. Uncle Sam is going to get out of it in the end all the money he put into it in addition to the thousands of intangible benefits of improvement and development of the surrounding country and, not the least benefit, the provision of sufficient energy to run the huge atomic bomb plant at Hanford, Wash. Well, this appropriation is so cut down that Bonneville will not be able to sell the power effectively and operate the existing system.

The Bureau of Reclamation has a program of primary concern to almost every western area and every Member of this House from a Western State. The President submitted a Budget proposing appropriations for the 1947 fiscal year totaling nearly \$167,000,000 for western reclamation. The bill before us contains about \$72,000,000 for this purpose. All construction items were slashed more than 50 percent, and on five projects transmission lines specifically were deleted from the program.

At the rate of construction proposed in this bill, some of the projects like the great Missouri Basin project, which was authorized by this Congress in December of 1944, will require as long as 65 years



just to complete the initial stage. The appropriation item for the Columbia Basin project in the State of Washington, where efforts are being made to prepare 400,000 acres of land for early settlement by veterans, is reduced from \$30,000,000 to about \$13,000,000. This will mean that the whole construction schedule for the project will have to be revised. Instead of having land ready for veteran settlement in 1950 or 1951, the rate of construction provided in the bill would delay the program for 25 years. The same can be said for the Central Valley project in California reduced from \$25,000,000 to less than \$11,000,000; the Davis Dam project in Arizona-Nevada reduced from \$15,000,000 to \$6,500,000; the Colorado-Big Thompson project in Colorado reduced from \$15,000,000 to \$6,500,000, and so on through the section devoted to reclamation.

The contention that on January 1 the Bureau of Reclamation had unexpended \$135,000,000, and therefore does not need an appropriation for the fiscal year 1947 except in the much smaller amount recommended by the committee is not well taken. Most of the \$140,000,000 was obtained as a result of deficiency appropriations which were made on December 28, 1945, just 3 days before January 1. Those funds have been set for expenditure during the spring and early summer and are needed, together with the estimates that were submitted, to provide an 18-month program that will move reclamation ahead on the scale required if the western problems are to be realistically faced.

It does not seem reasonable to me that the Congress should approve programs and authorize their construction and then insist on doling out the money for that construction at a rate that will stretch the construction period over generations and introduce penny-pinching economies by delaying the time when the projects can become productive and useful.

Finally—the worst cut of all—the committee has failed to permit the Southwestern Power Administration adequate funds to begin its program of establishing a businesslike power system in the Southwest by tying together the existing flood-control dams on the Red and White Rivers.

I have always been interested in flood control. I know of the work and time and interest that our distinguished colleague, the able Speaker of the House, has invested in getting the great Denison Dam project in Texas constructed and useful to the people of his district and his State. I know that he has always insisted that all the benefits of that project should be made available to the people—particularly the rural people for whose need of electric power he has always been concerned and active. The Speaker knows that Denison Dam and Norfolk Dam should be tied together by transmission lines and that all of the other dams in that great region should be tied together. Every objective power expert has agreed that these dams should be interconnected in order to get the most firm power and to protect the interests of the Government in selling the power. The distinguished members

of the subcommittee have agreed that the transmission lines should be built between the dams. The chairman of the Flood Control Committee of the House, who has taken a keen interest in these dams and others in the Southwest and who is one of the greatest experts in this House, repeatedly stated to the Interior Appropriations Subcommittee that these dams should be tied together with a transmission system when he appeared before that group on this matter.

The Congress of the United States has required that the power from these projects be sold in a businesslike manner and has carefully set forth a sound power policy for handling this power. But the exacting requirements of the congressional policy cannot be met unless transmission lines and related facilities are built in this area.

The mandate of the Congress that the power from Denison and Norfolk be distributed to benefit the people of the area and to protect the Treasury of the United States, the hopes of our distinguished Speaker that the power from the dams he has done so much to create be made available to the people he so ably serves, the dreams of the people themselves for low-cost power for their homes and farms and factories, will be thwarted if the action of the committee is permitted to stand. I cannot turn my back upon our own sound policies, upon our Speaker's sensible position, or upon the desires of the people of the Southwest.

I do not believe that such drastic and arbitrary cuts in this bill can be made without laying ourselves open to criticism of impugning the motives of those experts who have labored long and honestly to produce a program designed to promote the welfare of the American people.

I doubt that Secretary Krug will appreciate the back-handed compliment that the subcommittee paid him in its report. I believe with the subcommittee, of course, that Secretary Krug deserves the high praise accorded to him. But it is not fair to him to expect him to do the impossible. We propose to use a meat ax on his appropriations and at the same time ask for a better and bigger job than was done by his predecessor. It is like asking a Congressman to fire half his office force and at the same time take on more committee assignments, increase his mail from the home district, and spend more time on the floor.

This is frankly an appeal to the House to consider what a bad effect this unusual and drastic cut will have in this important field of our Government work. Many of the Members of the House are aroused at this unusual action, which heavily restricts and hinders important activities in their districts. I know some of my colleagues have a number of amendments they intend to propose at the proper time to try to prevent some of the damage which they foresee. I appeal to the House to give every consideration to these amendments which attempt to restore to the bill most, if not all, of the original suggestions of the President.

Mr. ROONEY. Mr. Chairman, I yield 10 minutes to the delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, in the present welfare and future development of Alaska no appropriation bill coming before this Congress is of such importance as the one now under consideration. The Interior Department has a primary responsibility in the Territory. The Office of Indian Affairs having general jurisdiction with respect to some 35,000 Indians, Eskimos, and Aleuts; the Fish and Wildlife Service, which administers the great Alaska fishery; the Alaska Road Commission, which builds most of the Territory's roads; the Alaska Railroad, which played such an important part in the movement of war supplies; the General Land Office, in charge of most of Alaska's vast expanse of close to 600,000 square miles; the Geological Survey, the Bureau of Mines; all of these and other agencies under the Interior Department have a vital connection with the Territory. Since Alaska's land is more than 98 percent federally owned and since under territorial status Alaska necessarily looks to the Federal Government, the provisions of this bill are of almost supreme consequence there.

I should be not only remiss but ungrateful if I did not refer here to the graciousness of the members of the committee in considering Alaska's needs. They have been helpful at all times. On numerous occasions they have met especially to hear testimony of Alaskans in Washington for brief visits. Sometimes I must confess I have been reluctant to call still another matter to their attention after everything that has gone before, but on every occasion they have responded and demonstrated true interest. Alaskans were happy to have the subcommittee members visit them last summer. One has need only to refer to the printed hearings and observe the volume of testimony offered regarding Alaska to realize that our problems have received real consideration, and Mr. Duvall, the very efficient clerk of the committee, is always most helpful. I am bound here to express my sincere appreciation to the chairman of the committee, the very distinguished gentleman from Oklahoma. I have marveled at his attention to detail, his concern with the public interest in spending long weeks in hearings on this bill. Far more than most men I know he has the capacity to legislate not only in the national interest but to serve the people of his district capably at the same time. They can well be proud of his distinguished record. We in Alaska join with his constituents in holding him in deep regard.

For many years prior to the war the Alaska Road Commission received practically no money—and in some years literally none—for new construction. The agency held on by its eye teeth, as it were, and what little new construction was accomplished was generally because of the availability of territorial funds. During the war, this changed. The magnificent Glenn Highway was constructed as a war measure to connect the Anchorage district with the Richardson Highway and thus with Valdez and Fairbanks. The Alaska Road Commission, under its very able chief engineer, Ike P. Taylor, and his equally able assistant, Hawley W. Sterling, put this high-class graveled

highway through at a cost substantially less than was the case with other wartime roads in the North. Likewise, the Road Commission was given funds for rehabilitation of the Richardson Highway leading from Valdez on the Pacific Ocean to Fairbanks in interior Alaska. In general, it may be said there were substantial advances in road construction during this period.

Now I am happy to say, the committee has allowed funds for building roads in the famous Kenai Peninsula country which will enable the farmers of that very promising agricultural area to get their products to market at a reasonable cost for the first time. Heretofore they have had to depend upon irregular, costly, and inconvenient shipping service.

I am thankful to the committee for authorizing this road. It will fill a great need.

In this general area there remains to be accomplished a highly important highway and bridge construction job. I refer to the crossing of Turnagain Arm which would give the entire Kenai Peninsula ready access to Anchorage and the country of the interior. The committee has been told on numerous occasions that the expense of maintaining the southern end of the Alaska Railroad is such that increasing consideration must be given to further use of the new port of Whittier which provides a closer connection with Anchorage and other northern points. Immediate and full use of Whittier would doom the splendid community of Seward to quick economic death. The decision has been made that the Turnagain Arm crossing should be completed at the earliest possible moment. By so doing Seward will be allowed to thrive instead of being doomed to perish and the other sections of Kenai Peninsula will have available the only type of transportation which will promote and even allow the type of growth to which their resources so clearly entitle them.

I know jubilation will reign in the interior of Alaska today now that the news has been received there of the committee approval for construction of a road which will connect Fairbanks with the Forty Mile country. This district is one of the oldest gold-mining areas of Alaska. Its development has been retarded through the years by the abnormally high transportation charges which have prevailed. With the building of this road a flourishing mining industry will be built up. The road actually will make its connection with the famous Alaska Highway. When it has been built, the adventurous in spirit and body may drive from any point in the States through Canada and Alaska over the Alaska Highway, to the Forty Mile and thence to Dawson, the fabled Klondike gold rush camp. Already there is a rough road from the Forty Mile to Dawson.

In inserting in the bill a provision that the Territorial government must provide, in the matter of new road construction, one dollar to every three dollars of Federal funds so expended I feel it necessary to point out this will work a tremendous hardship upon the Territory. The Terri-

torial government has not been particularly remiss in the matter of road appropriations. It has contributed according to its capacity to do so ever since a legislature was created there. I think it has contributed especially well in consideration of the fact that, as pointed out before, over 98 percent of the land is federally owned and in consideration of the further and even more important fact that Alaska has been denied inclusion within the provisions of the Federal Aid and Highway Acts which would have given us long before now a much more extensive road system than we enjoy. Records made available to me indicate the actual contribution of the Territory in the matter of highways has been in excess of 25 percent on the average and therefore much larger than the contributions of some States. The net effect of the pending provision would be to decrease measurably the amount of road money because the provision will simply compel the Territorial appropriation to be thrown in with the Federal appropriation in construction of arterial highways and many needed lesser roads which ordinarily are provided for by the Territorial government simply could not be built.

I applaud the committee's decision in responding so generously to the budgetary estimates with reference to the Alaska Native Service. As the report points out, Don Foster, superintendent of that service, is doing a splendid job. With the appropriation available for the next fiscal year he will be enabled to do even a better one. All of us are looking forward to the day when special services on the part of the Federal Government to the native people of Alaska will not be necessary. But that day has not yet arrived. There is real and even pressing need for further medical care and better medical care, for education and for assisting these people to participate on a basis of equality in the economic order in which they find themselves. Being intelligent people and good Americans they are making that adjustment as rapidly as anyone could hope for.

A moment ago I spoke about the need for further medical care. A particularly dreadful situation exists in Alaska with reference to tuberculosis. I do not know what the figures of today would reveal but before the war the prevalence of this dread disease on a weighted population basis was greater there than anywhere else in the world. It was spreading and still is spreading, for that matter, as fire spreads across the dry prairie. It affects the native and the white alike. Thanks to this Congress, we have at long last begun to do something about it.

Until last year there were fewer than 100 hospital beds for the tubercular in all of Alaska, and I am not at all sure that any of these were set aside for that specific purpose. Now an Army hospital declared surplus has been taken over at Skagway and about 150 people are being cared for there, people who otherwise would have died and in the dying spread their affliction wide. Soon the Methodist Church will open another sanatorium at Skagway. But those are only drops in the bucket, as your committee well knows.

Plans are now being made for further sanatoriums and I hope this House soon will have opportunity to do something to apply the spirit of American generosity and this time to American citizens living under the American flag.

There is urgent need for a coordinated, comprehensive, and intelligent approach to Alaska's problems which at the same time are the Nation's problems. The Territory is on the threshold—perhaps across it—of real, of substantial, and significant growth. The need of Alaska yesterday is not the need of today. We expect to have to come before you for increasing appropriations, but when we do so it will be with the knowledge that Federal money spent in the Territory will have beneficial results in all the States. Alaska always has contributed largely to the wealth of this Nation and always has been an excellent customer of the States. In the 72-year period ending in 1940 we sent out to you over \$2,000,000,000 worth of our raw materials, and we bought from the markets of the States over \$1,000,000,000 in goods. That is real money. Our contributions can and will be increasingly larger as the years roll by.

Mr. Chairman, reference was made this afternoon to the failure of the Department of the Interior to collect funds from relatives of Alaska's insane cared for at the Morningside Sanitarium in Portland, Oreg.

In my judgment there is a very good answer to this. In the first place surveys which have been made have demonstrated that the overwhelming majority of these insane people are indigents themselves or come from indigent families or homes. In the second place there is now pending in the Federal court, a suit to determine whether or not collections can be made prior to the effective date of the act. If they can be the collections will be greatly increased. In the third place, until very recently the Alaskan Section of the Division of Territories and Island Possessions of the Interior Department was composed of only two persons. They simply did not have time to take this problem up in the manner in which it must be taken up if effective results are to be had. It will require at best the services of one or more persons working exclusively on that subject. I am sure that Mr. Arnold, Director of the Division, is very alert to the problem and is anxious to and desirous of doing all he can.

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a question?

Mr. BARTLETT. I yield.

Mr. ROONEY. Has the gentleman read the table set forth on pages 1090 and 1091, part I of the hearings?

Mr. BARTLETT. I have not yet had an opportunity to do so.

Mr. ROONEY. I may say that if the gentleman will read those tables he will see that the \$16,000 collected as compared with the background of the persons who are in the Morningside Hospital at Portland, Oreg., is a ridiculous amount.

Mr. BARTLETT. Collections are not being made now, however, prior to the effective date of the act, but they may be made later. In consideration of all



the circumstances, I believe the department has done all that could be expected of it.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. JOHNSON of Oklahoma. Permit me to say that the Delegate from Alaska appeared before our committee and gave some very valuable information and made some fine suggestions, and that the committee acted favorably on many of the recommendations submitted by the distinguished Delegate from Alaska. I not only desire to congratulate him but I desire to congratulate the Territory of Alaska on having a fine, progressive, hard-working, energetic gentleman who knows the problems of Alaska and who is fighting for his people.

Mr. BARTLETT. I thank the gentleman.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. STOCKMAN].

Mr. STOCKMAN. Mr. Chairman, I read with considerable amazement the report released from the Committee on Appropriations on the Interior Department appropriations bill for the fiscal year 1947, and especially so far as the Grazing Service of that Department is concerned, where the Appropriations Committee seemingly based its reasoning on the failure of the Grazing Service in the Interior Department to increase the grazing fee now charged for grazing privileges on grazing district lands in the 10 far-western public-land States. There seems to be an entire misconception in the minds of many people as to the real meaning and purpose of the Taylor Act, passed in 1934. As, while it was sponsored and its passage was urged by the western-range livestock men, it was also urged and sponsored as a great conservation measure to protect and preserve a national resource essential in continued watershed protection as well as of direct benefit to the range livestock men whose very existence is dependent on the orderly and continued use of the range resources on this remnant of the public domain.

The passage of the Taylor Act with its subsequent amendments was the first time that any legislation was ever passed that sought the advice and assistance of the western-range livestock men as a group, and provided legislation to stabilize the livestock industry dependent on the public lands and at the same time conserve and utilize the forage resources not only to the benefit of the livestock industry, but to prevent erosion and soil depletion that is such a major factor in the protection and continued successful operation of downstream irrigation and power development.

The question of grazing fees was thoroughly discussed by subcommittees of the Senate Public Lands Committee at hearings held all over the West. The result of these hearings would seem to indicate that the western-range livestock man, in many cases, was not able to pay an increased fee. The western sheep industry is in a bad way financially through increased costs of production. It has resulted in the actual liquidation of millions of sheep, especially from the

western range States. In the report just released by the subcommittee of the Senate Public Lands Committee, the Interior Department and the Grazing Service were criticized for even suggesting an increased fee.

Congress has found it necessary to provide subsidies for the entire livestock industry. It appears to me that the decision of the Department of the Interior to not consider increased grazing fees until 6 months after subsidy payments for production had ceased is sound. This certainly should not prevent Congress from appropriating money to carry out the conservation principles of the Taylor Act within grazing districts in amounts sufficient to continue the orderly administration of lands within the grazing-district boundaries. The past president of the American National Livestock Association stated that, according to the Associated Press, if Congress heeded a proposed memorial asking it to abolish the Taylor Act "some 22,000 permittees stand to lose rights never before enjoyed in the use of Government land." He further stated that the act "has almost completely stabilized the livestock industry dependent upon the use of these lands."

The Grazing Service only receives one actual appropriation for administration, the salaries and expenses appropriation, and the House bill reduces this appropriation \$908,970 less than the amount appropriated for the current fiscal year and \$1,291,500 less than the Budget estimate. In fact, it only allows \$212,500 which, if approved, would simply be enough to liquidate the Grazing Service and would in effect turn the public lands within grazing districts back to the chaos that prevailed before passage of the Taylor Act—to ruthless competition—and would undo the work that has been started during the past 12 years under conservative administration of grazing lands so essential to the western range livestock industry in connection with its own owned and controlled ranch set-ups. It cuts out entirely fire-fighting estimates of \$50,000 that is used to actually fight range fires within grazing districts, and it eliminates the operation of the entire advisory-board system from grazing district administration. This would be an actual catastrophe for the stockmen dependent on these lands, for the local communities, and for the Nation as a whole. It would be the first time, to my knowledge, that it had ever been expected that, because of certain direct benefits received by a certain relatively small group from conservation legislation, they were not only to be penalized but expected to pay the whole cost incident to the conservation of national resources which affect the entire national welfare. It seems rather absurd that Congress, after providing fairly adequate appropriations and recognizing the need for conservation carried out by the Grazing Service within grazing districts for the past 12 years, should suddenly decide that money necessary for its administration was no longer needed. Congress passed the Taylor Act as an excellent piece of conservation legislation and ratified it year after year by appropriating money for grazing-

district administration, and should continue to do so to carry out the purposes of this legislation and to continue to protect the resources on the remaining public domain which, after all, is a national responsibility.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I am sure that no Member of this House is more committed to a policy of national economy than I am. To me, economy, which has all my life been a necessity, has become a habit. I have a very strong conviction that our Nation must balance the Budget; also, we must pay off the national debt. I also realize that we may, under the economy slogan, perform pruning operations on essential governmental services, which, instead of proving to be sound economy, may turn out to be unjustifiable extravagance.

I want to especially call the attention of the House membership to the services of the Bureau of Mines, which will be very drastically curtailed by the provisions of H. R. 6335. The ability of the Bureau of Mines to be of real service to the mining industry has been fully demonstrated in Missouri. The facilities which the Bureau has built up during the last few years will of course continue to be available. They will have no value to our mining industry in the contribution which this industry should make to a peacetime economy if the funds for their operation are not provided. The cuts which have been made by the Appropriations Committee in the Bureau of Mines' appropriations would mean the abandonment of the effective work being done at the Rolla, Mo., laboratory in improving the recovery of lead and zinc. These cuts would also end further experimental work on nonmetallic minerals for materials like rockwool, which is so much needed at the present time in our critical housing program. The important start which has been made in the geophysical finding of lead in southeast Missouri would be seriously jeopardized. The investigation of Missouri's deep-seated iron-ore deposits would stop.

In short, facilities costing hundreds of thousands of dollars now available and in use to serve the mining industry of the Nation would stand idle and, along with them, would stand idle many a potential mineral-producing property.

To cut the appropriation for continuing this fine work of the Bureau of Mines is to me just about as sound economy as it would be for a farmer to say that he plans to economize on his corn crop by not buying any seed corn because the price of the seed corn is, in his judgment, a little too expensive. Also, in my opinion, the argument that many appropriations should be drastically reduced because expenditures have heretofore been to prosecute the war will lead us into gross errors. Metals were of course very essential to the war effort, but now we proceed as though it is a fact that because metals were necessary to war, they are an optional element in peace.

We proceeded courageously to prosecute the war. Our determination, diligent efforts, and sacrifices resulted in victory on the battlefield. We thus won

the privilege of trying to build an enduring peace. An abundance of materials is just as essential to peace as it was to war. After World War I we let peace slip so easily from our fingers: Do we plan to repeat that blunder? Government and governmental services must make the necessary contribution to building a peacetime economy if peace is to become a reality. Certainly the drastic curtailment of essential governmental services may well turn out to be foolish extravagance rather than sound economy.

In my opinion, the knife has been used too freely on this appropriation for the Interior Department. In my opinion, we have trimmed down even our chances to balance the national Budget and, certainly, we have trimmed down our chance to build a peacetime economy which our people have the right to expect.

Mr. ROONEY. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Chairman, the power program of the Federal Government is vitally affected by the Interior appropriation bill. My interest in that program is deep and personal. I have seen the things that a sound Federal power program can do for an area and for its people. I have seen such a program lower rates and encourage the development of business, small and large. I believe in the power policies that have been established by the Congress because I have seen them proved in my own district.

The distinguished junior Senator from my State, Senator HILL, made a careful analysis of the Federal power policies when the rivers and harbors and flood-control legislation was before the Senate in December 1944. I will quote only a bit from his splendid statement showing that it is good business and good government to adhere to our policy of distributing widely the benefits of federally produced power:

The power policy of the Federal Government has not been developed capriciously. It has been hammered out by the Congress in bill after bill relating to the Federal construction of water control and conservation projects and the regulation of interstate streams. The core of that Federal policy is that the benefits of power development at Federal projects shall not be monopolized by limited groups but that those benefits shall be widely distributed \* \* \*.

With our power resources we have sought to assure that they will not become enmeshed in the empires of the monopolists but that they will be available to develop the industry and agriculture of our Nation and to lighten the burden of the housewife. We have enacted into law again and again a policy of giving preference to public agencies, municipalities, and cooperatives in the sale of the people's power resources, developed at Federal dams.

It is sound business for the Government to sell its power to more than one distributor. If the Government is required to sell merely to the one large utility in the vicinity that can afford to build a line to the Government's dam, that utility will be able to dictate the terms upon which the power may be sold by the Government. It can dictate the price at which the power will be sold. No businessman would want to be in such an anomalous position. No wholesaler in business would want to depend upon

a single outlet for the distribution of his product if he would remain in business.

My first reason for our traditional policy of giving preference to public agencies and providing transmission lines to implement those preferences was that it was good business. My second reason is that it is good government. It has been shown to be good government not merely in these past few years, but since the earliest stages of public power development.

In the past few years we have seen the concept of the multiple-purpose project blossom out into the sound multiple-purpose development of an entire river basin. I cannot believe that anyone who has seen the results of the comprehensive plan and program of the Tennessee Valley Authority would ever want to go back to the anarchy that prevailed over the waters of the Tennessee River in the past. I cannot believe that anyone who has seen the drudgery of the farmers and the farmers' wives lifted from their shoulders by the advent of rural electrification upon their farms would ever again want to return to the period of kerosene lanterns that prevailed when power companies skimmed the cream of the rural business and left the more isolated farmers to fend for themselves in what was literally the Dark Ages on the farm.

It is good government to provide for the multiple-purpose development of our rivers so that they may carry the commerce of our Nation through their navigation works, so that they may no longer waste the lives and property of our people through destructive floods, so that they may irrigate our arid lands, and so that their falling waters may produce power for the benefit of our people. It is good government to see that all of these benefits are widely spread among our people and that none of them are made the possession of the few. It is good government to see that Federal power is made available throughout the area of its economic transmission—to lower the cost of farming, to lower the cost of running the home, and to lower the cost of making goods and providing services in industry and business.

For in the transmission of its abundant supplies of low-cost power the Federal Government is providing a means for decentralizing industry and for achieving a balance between the town and country, between agriculture and industrial production. The day of industrial concentration with its slums, its health hazards, its poor living standards, is reaching its twilight. The availability of abundant supplies of low-cost electric power that results from the development of our country's water resources is bringing about a new era of industry scattered throughout the land, benefiting all regions, all groups, all people in our great Nation. Low-cost power is intensifying the effective use of our civilization just as surely as our low-cost public highways extended that civilization. Indeed, the transmission lines that bring abundant low-cost public power to every hamlet are the new highways over which this country will progress and over which the undeveloped regions may reach a fuller use of their manpower and their resources. Yes; it is good government to continue our present sound policies for the distribution of power produced at Federal developments.

It is in the light of this Federal-power policy that I shall analyze the Interior appropriation. Remember, that since the passage of the flood-control bill of 1944 the Secretary of the Interior markets all power from all Federal dams except those of the TVA. In other words, we are dealing with the power-wholesaling agency that affects the greater part of the Nation and the welfare of its people.

Mr. Chairman, I do not wish to seem critical of the Subcommittee of the Appropriations Committee that brought in this particular appropriation bill. I know the very excellent job that they do year after year. However, may I say that I am disappointed in the features of the bill which deal with the distribution of power. After all, we gave to the Secretary of the Interior the job of distributing this power, and it is false economy to curtail him in the job we have placed upon him.

I am taking up the various power projects included in the bill item by item so far as I can, and analyzing them, as follows:

#### DIVISION OF POWER

The Division of Power is a small staff in the office of the Secretary that gives over-all supervision to the several agencies of the Department that market power. It has for the past few years had a budget of between \$105,000 and \$115,000. This year it asked for an increase of a few engineers and experts to handle the preliminary power-marketing work from Army dams that are not located in areas where other power agencies of the Department operate. The Congress has appropriated funds for the construction of these dams, yet no agency is equipped to do the power-marketing job that the Congress has placed upon the Secretary of the Interior. These projects include the Buggs Island project on the Roanoke in Virginia and North Carolina, where many cooperatives and municipalities are eager to get low-cost Federal power. The Clark Hill project in South Carolina and Georgia has also been authorized, and power-marketing arrangements must be made. The Allatoona project in Georgia, on the Etowah River, will probably be the first of these eastern projects to be completed. These and others on the Cumberland are going ahead, but arrangements for marketing the power depend upon the Division of Power.

The committee has not only cut the modest \$20,000 asked for this new work of the Division but has cut it even further by eliminating its chief counsel and the head of its marketing and operations staff. This seems poor economy, when these men are needed to supervise the hundreds of millions of dollars invested in power facilities throughout the country. Even so able a power man as Secretary Krug needs to have assistants. He cannot carry this load alone. Nor can he personally undertake to plan for and sell the output of all the dams now under construction by the Corps of Engineers and the Bureau of Reclamation. The Division of Power cut may seem small, but it is a serious one. Moreover, it is just an example of the action taken on power items throughout this bill.

#### THE BONNEVILLE POWER ADMINISTRATION

The Bonneville Power Administration is the great Federal agency of the Northwest responsible for transmitting and marketing the power from the twin giants of the Columbia River—Bonneville and Grand Coulee Dams.



The Appropriations Committee reports that—

During the war this organization performed an outstanding service to the Nation in providing continuous power essential in connection with atomic-bomb production operations in the Hanford area, adjacent to the Columbia River in Washington. During the fiscal year 1945 plants in the Northwest produced one-third of the Nation's aluminum output, and during that same year war industries served directly by the Bonneville Power Administration accounted for an overall consumption of 5,546,277,000 kilowatt-hours of Columbia River energy.

But though it recognizes the importance of this agency it has slashed its appropriation request from \$19,000,000 to \$9,000,000. This is the agency that is building up the Northwest—aiding in the reconversion of its great war industries and bringing to the private enterprise of the region low-cost power that will make it flourish. I cannot believe that such drastic reductions are warranted. I believe in the future of the Northwest and the low-cost power of the Columbia River is the key to that future.

#### THE BUREAU OF RECLAMATION

The Bureau of Reclamation, like the Corps of Engineers of the Army, is a great construction agency dedicated to the conservation of western waters and to putting those waters to use in multiple-purpose projects that include the production of hydroelectric power. That agency has been cut by more than \$94,000,000—a cut of nearly 60 percent.

In analyzing that appropriation we find that by far the heaviest cuts have been in the items of construction necessary to produce and market electric power—which is the paying partner in irrigation enterprises.

#### CENTRAL VALLEY, CALIF.

The great multiple-purpose Central Valley project in California includes facilities for the generation and transmission of low-cost power. The huge irrigation pumps on the canals will require over 20 percent of the ultimate power output of the Shasta and Keswick Dams. Probably one-third of the power output of these plants will be used eventually by local irrigation, rural utility districts, and by individual water users for irrigation pumping on their own lands.

There are no facilities of adequate capacity to supply the pumping needs in the Delta area on a 24-hour basis. The Bureau of Reclamation must therefore construct transmission lines from Shasta and Keswick Dams to the Delta area.

Of the \$25,000,000 requested for this project, the committee has allowed only \$10,000,000. The power items have been drastically curtailed. For instance, the committee has disallowed constructing the direct line from Shasta Dam to the Delta where power is needed for the irrigation pumps which are now served only by paying excessive tolls to the private power company.

It has cut out the line from Keswick Dam to Sacramento, where a municipal utility district owns and operates a public system. Yet the Congress has repeatedly required that public agencies be given preference in the sale of power.

Of the nearly \$10,000,000 requested for all specific power items in Central Valley the committee has allowed only slightly over \$3,000,000. It has cut the power program to a point where it will not only be ineffective in serving preferred public agencies, but also will be unable to handle the Government's own power loads at its irrigation pumps.

#### DAVIS DAM, ARIZ.

Of the \$15,000,000 requested for the Davis Dam development on the Colorado River below Boulder, the committee has allowed \$6,500,000. The request included more than nearly six million of power items. The committee has not only cut the entire amount but it has specifically disallowed certain essential power lines.

It has cut the line from Tucson, Ariz., to Deming, N. Mex., an essential part of the interconnecting system in that area.

It has cut the Wickenburg extension. A part of the 115-kilovolt transmission system of the Parker Dam and Davis Dam projects northward from Phoenix to Wickenburg and Prescott to supply load centers at Wickenburg, Prescott, Ashford, Williams, Flagstaff, Halbrook, and Winslow, now inadequately supplied. Applications have been made by the towns and the Arizona Electric Power Co. and the Arizona Power Corp. for electric service from the Parker project and these public and private agencies are confronted with the possibility of having to install additional generating capacity which will reduce the market for Davis power when it becomes available. This is poor business for the Government.

It has cut the Parker Gila line needed to bring Parker Dam power south to Arizona and southern California. Six hundred thousand dollars was requested to begin construction of this necessary line.

The Bureau has been under constantly increasing pressure from the Imperial Irrigation District and the California Electric Power Co. for additional energy and standby transmission capacity and both the district and the company are urging the construction of this line.

It cut a request for miscellaneous line extensions—\$70,000 for several short low-voltage transmission lines and additions to switching facilities and substations required to form a modern integrated power system for the Parker Dam power and Davis Dam projects. Not only have these specific necessary items been denied, but the over-all cut will slow up and impair the power program in the Davis Dam area, where a serious power shortage is imminent.

#### COLORADO-BIG THOMPSON

The Colorado-Big Thompson project, located in north central Colorado, is one of the major multiple-purpose projects now being constructed by the Bureau of Reclamation. The project is being constructed primarily to transport surplus water on the western slope of the Rocky Mountains to the eastern slope providing supplemental irrigation water for some 615,000 acres of fertile lands on the plains east of the Rockies.

Of the \$15,000,000 requested for this project the committee has allowed \$6,500,000.

Again the power items have been specifically cut. It has disallowed the entire \$2,000,000 requested for transmission lines necessary to serve the projects pumping stations, interconnect the power stations and to make power available to public agencies and REA cooperatives.

Included in the \$2,000,000 cut are the line from Granby to Estes Park, 38 miles of 115-kilovolt transmission line and about 5 miles of 69-kilovolt transmission line and substations at the Granby pumping plant and Estes Park. These power facilities would connect the Green Mountain power plant on the western slope with the power plants to be built on the eastern slope.

Also cut was the line from Loveland to Greeley, 35 miles of 115-kilovolt transmission line, and additions to Greeley substation. This was to supply the necessary connection between the project power-generating plants and the transmission system in Northeastern Colorado. It would also connect the project power-generating plants to the Bureau's interconnected power system.

The line from Sterling, Colo., to Sidney, Nebr., was also eliminated. This 45 miles of 115-kilovolt transmission line from Sterling, Colo., to Sidney, Nebr., is an essential part of the interconnection with the Kendrick and North Platte projects. The line is urgently needed to alleviate an existing critical power-shortage situation in northeastern Colorado and southwestern Nebraska. The Bureau of Reclamation has received numerous requests from REA's, municipalities, and others in this region. The Rural Electric Co. is completing plans for about 2,000 miles of distribution lines and needs additional power in 1947 to operate existing as well as proposed lines. This REA has a heavy irrigation pumping load which is increasing rapidly. Farms are being broken up into smaller units and some 2,000 additional families will be located in this area. Many of these are returning veterans and every effort must be made for providing low-cost electric power. Failure to provide this power will result in the installation of expensive, high-cost Diesel power units which will place a heavy burden on the farmers and veterans using electricity.

Again this cut seems penny wise and pound foolish. Power revenues derived from the sale of power generated on the project will repay practically all of the construction costs with the exception of \$25,000,000 to be repaid by the northern Colorado water conservancy district. In order to market surplus electric energy generated on this project it will be necessary to construct transmission lines as programmed. Repayment of project costs cannot be realized without the revenue from the sale of power on a firm basis. This can only be accomplished by providing the transmission facilities requested.

#### FORT PECK PROJECT, MONT.

The Fort Peck project consists of the dam, reservoir, and power plant, and the

electric transmission system used to distribute generated energy. The power plant at the Fort Peck Dam—constructed and operated by the Corps of Engineers—has a 35,000-kilowatt hydroelectric unit in operation, and a second unit is now being installed with a rating of 15,000 kilowatts.

The Congress required the Bureau of Reclamation to market this power in accordance with the provisions of the Fort Peck Project Act. The Bureau requested an appropriation of \$1,000,000 to construct necessary transmission facilities to make Fort Peck electric energy available to cooperatives, pumping projects, utilities, and other potential customers who can beneficially utilize low-priced Fort Peck energy.

The committee allowed only \$433,000 in this bill. In its report the committee specifically eliminated power items amounting to more than the over-all cut specified in the bill. I suppose that the committee would have more spent on the item it has allowed than the experts have considered necessary.

Among the lines disallowed are lines to serve irrigation pumps and REA cooperatives in the Yellowstone and Milk River districts.

#### MISSOURI BASIN PROJECT

The committee has cut the Missouri Basin project from \$23,783,600 to \$10,312,685.

The Missouri Basin Development, consisting ultimately of power plants at multiple-purpose dams, a few plants at dams operated primarily for power, and a large number of irrigation pumping plants, will require interconnection of the plants in order to utilize effectively the power generated. The plan, therefore, provides for a high-voltage transmission grid in the basin. This transmission network will serve the irrigation pumping plants, rural electric cooperatives, municipalities, and potential industrial developments.

Power will be needed immediately at the various dam sites for construction purpose. For those dams at which power plants will be constructed the lines that will be needed to bring power in for construction purposes will be so designed and constructed that they will form a permanent part of the transmission system after the power plants are completed and in operation and thus save the cost of building temporary lines for supplying construction power.

Again the heavy cut is in power.

The Committee has disallowed the construction of the transmission line from Boysen Dam, now under construction, to the Bureau's existing system at Thermopolis. This dam is necessary to bring the power from the Boysen power plant to the existing system. There is no other means of disposing of the power generated on the project. It has also disallowed the line from Sidney to Gering, in Nebraska.

With the extension of the Colorado-Big Thompson transmission system from Brush, Colo., to Sterling and Sidney, Nebr., only the section of the transmission line between Sidney and Gering, Nebr., remains to be constructed to com-

plete the transmission-line interconnection between the eastern end of the Colorado-Big Thompson project and the North Platte project in Nebraska. Without this interconnection, firm power deliveries are not assured since an outage on such an extended system is frequently possible when only a single source of power is available. It is, therefore, essential for the proper delivery of firm power in the area to have the second source that is afforded the proposed loop circuit. Without this completed loop, it will be necessary to draw up contracts for power on a nonfirm basis resulting in a loss in revenue necessary to accomplish project repayment. This interconnection will also afford a source of power to several existing systems serving the area which cannot otherwise be accomplished through delivery at other points due to their restricted capacity.

#### MISCELLANEOUS BUREAU OF RECLAMATION PROJECTS

I have not time to detail them, but other power projects of the Bureau of Reclamation have also been cut. In Idaho the Anderson Ranch project has been cut and in New Mexico the Rio Grande project has been cut. In Washington the Yakima project has been cut. In Wyoming the Kendrick project has been cut.

And throughout, the power items have taken the heaviest cuts in the \$94,000,000 slash of this agency. I cannot believe that this is sound programming. It seems to me that the committee is starving the power goose that lays the golden eggs.

#### THE SOUTHWESTERN POWER ADMINISTRATION

The Southwestern Power Administration has the responsibility for disposing of the electric energy from the War Department projects in the Southwest, including Denison and Norfolk Dams, already in operation. The Administration has made thorough investigations and studies that show that the most feasible manner to market the power from these projects is through interconnecting the projects by high-voltage lines and building necessary steam stand-by facilities.

The President's budget requested \$23,000,000 for construction for the fiscal year 1947. This would have provided the initial requirement for interconnecting the dams and building feeder lines to customers in order to dispose of the electric energy. The plan contemplated building the shortest lines necessary to interconnect Norfolk and Denison Dams by the acquiring of the transmission line from Lake Catherine, Ark., to Markham Ferry, Okla., owned by the Ark-La Electric Cooperative, Inc. It was proposed to build a line north to Norfolk Dam from the eastern end of the Ark-La line and another line from the west end of that line to Tulsa and south to Denison. The plan also contemplated the acquisition and completion of the present Government-owned Lake Catherine 35,000-kilowatt steam plant and the building of an additional 35,000-kilowatt steam plant in Texas.

The Lake Catherine steam-plant foundations already belong to the Govern-

ment. This low-cost stand-by plant is wanted by the utilities for their own benefit. This plant should become an integral part of a sound power program for the people just as Muscle Shoals was made a part of the TVA system. It should not be taken away from the people and turned over to the utilities. It stands in the center of the many hydro projects already authorized for construction by the Congress. These hydro plants will be sounder investments if the Government has its own stand-by and firming power capacity.

Norfolk and Denison Dams each have operating an initial unit of 35,000 kilowatts and a second unit for each dam is under construction, bringing the initial hydro power available at the two dams to 140,000 kilowatts. Ultimately, presently authorized projects in the area will have 666,600 kilowatts of capacity.

The program would permit interconnection of Norfolk Dam with the sites of the authorized Table Rock and Bull Shoals Dams. It also includes transmission lines from Denison Dam to Oklahoma and Texas areas and other feeder lines in southern Missouri and in Arkansas to make electricity available to REA projects and municipalities whose power needs are already urgent.

The committee has allowed only three million one hundred and ninety-eight thousand of the twenty-three million requested for this great construction program to benefit the Southwest. The committee's figures will not permit the dams to be tied together but will require the Government to handle them as isolated projects. If the TVA dams were thus divorced from each other the entire program would have failed, both as a financial matter and as a benefit to the people.

We cannot allow this action to stand. We cannot continue to authorize multiple-purpose dams and dissipate their power by failing to interconnect them properly and to assure that their benefits are brought to the people for whom they are built.

Mr. ROONEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, the Interior appropriation bill for 1947, as reported to the House, disappoints especially the reductions of the Budget estimates for construction work by the Bureau of Reclamation. The Budget estimates submitted by the President for the fiscal year 1947 totaled \$163,554,055 for the Bureau of Reclamation. Of this amount, \$147,330,000 was for construction work on about 40 individual projects. The bill, as reported, reduces the construction total estimate to \$63,083,000, a reduction of about 60 percent.

This sharp slash will not only retard the construction of essential reclamation irrigation and hydro-electric power facilities in the West, but will deprive veterans of employment on useful developments and settlement opportunities on irrigated land. Since the Congress has authorized this work and has urged the Bureau of Reclamation to complete projects as rapidly as possible, it seems to me that we are defeating our own objectives



by reducing so drastically the estimates for construction of reclamation projects.

I refer particularly to the reduction in the Budget estimate for the Lugert-Altus project in Oklahoma from \$2,080,000 to \$901,900. This project is the first reclamation undertaking in Oklahoma, and a limited area will receive irrigation water for the first time, this year. In order that the entire area of 70,000 acres may be brought under irrigation as rapidly as possible, the entire estimate of \$2,080,000 should have been made available. Even this amount, at current prices, will not fully complete the project but it would have advanced construction materially.

In addition to the construction reduction, the bill reduces the Budget estimate of \$11,000,000 for general investigation to \$3,250,000. Funds for general investigation are of great interest to Oklahoma, whose limited water resources should be put to the best advantage with the least possible delay. The Bureau of Reclamation, therefore, must have funds with which to advance these investigations and a reduction of more than one-third for this purpose will retard the field work that is so essential to completing the investigation of proposed projects.

Another item that was reduced is the estimate of \$5,500,000 for salaries and expenses of Bureau of Reclamation. This was cut to \$4,000,000. It is essential that a Federal agency be well financed to carry on its administrative functions and the amount of the Budget estimate is essential.

The committee hearings show that Commissioner Straus protested vigorously against the proposed drastic reduction in the Budget estimates for the Bureau of Reclamation and warned that such cuts would be disastrous to the program for the development of the West, as well as deprive veterans of employment and of opportunities to settle on irrigated land. I join with Commissioner Straus in his protest.

Mr. DWORSHAK. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I wish to take a few moments to explain briefly the Central Valley development in California. In the first place, 25 to 30 percent of the power generated in that project will go for the development of the project itself.

As you can see from the map of California before you, the Central Valley project is located in a long valley, in which there are two rivers, one river running from the north to the south (the Sacramento River) and one (the San Joaquin River) from the south to the north, these rivers meeting and flowing into San Francisco Bay. The power that is generated in that valley is generated at a place called Shasta Dam, in the northern part of the valley, on the Sacramento River.

The fundamental purpose of that project is to take water from the Sacramento Valley, which is the northern half of that giant valley, and put it into the lower part of the valley, which is drained by the San Joaquin River. The

San Joaquin River is a giant river rising in the Sierras and flowing northward into San Francisco Bay, and to still further spread the benefits of reclamation we are taking water from that river at the Friant Dam and moving it down over 100 miles to the arid country in and around Bakersfield. In order to replace the water diverted from the San Joaquin River we take the water from the Sacramento River and we literally make that water run uphill. We bring it across the delta of those two rivers in a canal called the Delta Cross Channel to a place near Tracy, Calif., and then from there by a series of booster pumps, we pump that water into the San Joaquin area and replenish that river and the landowners adjacent thereto, whose water we have in part taken from them. In other words, we give them a like amount of water that they used to get from the natural stream. In California, as in all Western States, a water right is a property right, and we cannot deprive its people of their property right to this water without replenishing that water.

In the second place, the development of that power project is incidental to the water project. As stated in the report on page 15, power is a secondary consideration. Well, power is not really a secondary consideration in the Central Valley project. It is an integral part of the project. The only way you can make the water features of the project work and make them successful is by the development of electric power which will furnish the juice to pump that water up the San Joaquin Valley. There has always been a power shortage in California.

In the third place, the development of that power will have the effect, and it has had the effect for the last 10 years, of reducing power rates of the private utility in that area. Northern California is served by one giant company, the Pacific Gas & Electric Co., but their rates have steadily gone downward under the impact of the development of this power by the Shasta Dam and the Central Valley project.

In order that the project may be successful, I want to point out that the principle involved in the development of that power project is no different than the principle involved in running a municipal water system. In order that it may be successful it must be an integrated, independent system, just like a private utility to be successful must be an integrated system. We cannot run our juice perpetually over the lines of our competitor, the Pacific Gas & Electric Co. We have to operate and handle the distribution of our own electric power. That is why it is essential to have a provision in this bill in excess of what has been allowed for the development of this transmission system.

There is a continually increased demand in northern California for power. It has gone up 8½ percent, compounded annually, for about 15 years.

As I have pointed out, the power rates have gone down steadily. It has been my experience that every time you start a rate suit on behalf of a city and threaten to take over the distributing

system, that the power company immediately reduces its rates. Just lately they reduced their rates \$7,000,000, and if you had talked to them six months before they would probably have told you that such a reduction was impossible. That reduction can, in part, be attributed to the Shasta Dam power development.

The point that I want to drive home is that this is the way for the efficient development of this power, which is merely a byproduct of the water that passes through the water wheels on the way down south to the arid lands of California. It is the only way in which we can make this project pay dollar for dollar, with tremendous dividends in the long run. At the present time the private utility is building or planning to build transmission lines far in excess of what they require for their present customers or their reasonably future load. What are they doing it for? They are doing it because they want to transmit across those lines the power from this publicly owned and operated project. So we would be to a great extent at their mercy and would not have the freedom of operation that a private system has and that a public system should have to be successful.

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Alabama.

Mr. SPARKMAN. Is the city of Sacramento in the gentleman's district?

Mr. JOHNSON of California. Yes, Sacramento is in my district.

Mr. SPARKMAN. Is that utility publicly owned?

Mr. JOHNSON of California. They have organized a public utility district there. Since the time of organization and almost to the present time they have been litigating with the Pacific Gas & Electric Co. Finally, in desperation, they made a settlement with that company, but unfortunately the company, having the upper hand, made them sign a contract to take electricity from it for the next 7½ years. Ultimately, however, they will be one of the biggest customers of the Shasta power. That utility serves about 200,000 people.

Mr. SPARKMAN. As I understand, this appropriation as it is made is not sufficient to allow the building of a transmission line which would furnish power for operation of the irrigation pumps.

Mr. JOHNSON of California. That is correct. We also want to make a circuit there, and have a transmission line make a complete circuit all around that area, on the west side of the Sacramento River.

Mr. SPARKMAN. I have listened with a great deal of interest to the statement of the gentleman and I commend him for it. I agree with him, and know of the great interest he has taken in the Central Valley project.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Is it not true that there are no irrigation pumps ready to use this power at the present time in this area?

Mr. JOHNSON of California. That is correct; they are not ready yet, but in order to get ourselves ready for that contingency we must look ahead. We cannot just simply overnight build transmission lines. It is a long, tedious, difficult, and costly project. I point out that the private utility is now very diligently and extravagantly, you might say, building transmission lines in excess of its needs. The reason, I think, is so that it may be in a position to say, when we are ready to take that juice down there, "Come and use our lines. If you build one of your own, you are duplicating existing facilities."

Mr. DWORSHAK. Is it not true also that our committee in the current year's appropriation and in the funds to be provided for the fiscal year 1947 has made available the money which will be required to build transmission lines into the delta section to serve that area around Sacramento, and to provide the power to pump the water to the irrigation districts in the San Joaquin Valley?

Mr. JOHNSON of California. You have made some money available, and I appreciate it tremendously, especially the amount you gave us last year, but I honestly do not think that you have made enough available so that we can build an integrated, independent system. I want to emphasize that as hard as I can. We want to make ourselves an independent integrated system so we can have a public bloc of electric power and can operate by ourselves in competition with the other electric power bloc.

Mr. DWORSHAK. I do not desire to dispute the gentleman's statement in that regard, but is it necessary to have a complete integrated system all over that central portion of California in order to make this power generated at Shasta Dam available for use by the water districts?

Mr. JOHNSON of California. I think it would be very beneficial; yes. It is not absolutely necessary. We could transmit the juice over the P. G. & E. lines.

Mr. DWORSHAK. But have not the plans been announced by this committee and the funds made available to complete that line so that power from Shasta will be made available to those water districts for pumping purposes? Is that not true?

Mr. JOHNSON of California. To a limited degree. It is true in this way: We have a line down there, but to have an independent, integrated system we have to have stand-by plants; we must have our own transmission lines and all the facilities to be able to operate independently and be in a position to offer firms electric energy. We have to be ready to operate just like a public utility. As far as you have gone, you do not as yet approach that situation, with the appropriations you have made, much as we appreciate the moneys you have given us. What we want is to make our plans and keep building until we get this integrated system that will cover a portion of northern California, which we can serve cheaply and efficiently. There are plenty of customers coming along

to take care of all the juice that the Pacific Gas & Electric can generate and all that we can generate from the public system.

Mr. DWORSHAK. Will not the gentleman admit that our committee in making these funds available for the development of the transmission lines has given full recognition to the requirements and demands for power to be made by the water districts in that area?

Mr. JOHNSON of California. I do not believe you have given full enough recognition, especially for future needs. You have given some recognition, and I appreciate it.

The CHAIRMAN. The time of the gentleman from California has expired. The Clerk will read the bill for amendment.

The Clerk read down to and including line 6, page 1, of the bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, had come to no resolution thereon.

#### AMENDING IMMIGRATION ACT OF FEBRUARY 5, 1917

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Committee on Immigration and Naturalization be discharged from further consideration of the bill (H. R. 2988) to amend section 24 of the Immigration Act of February 5, 1917, and that the bill be referred to the Committee on the Civil Service.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### EXTENSION OF REMARKS

Mr. LESINSKI asked and was given permission to revise and extend his remarks and include therein an Amvets proposal adopted by the War Assets Administration and confirmed by the Attorney General.

#### THE COAL STRIKE

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARLSON. Mr. Speaker, this afternoon I was surprised to receive a letter from a CIO local urgently requesting Congress to take such action as is necessary to break the strike of the miners in order that their members might continue at work. My first reaction was that this request was the height of irony, as millions of CIO members

have been on strike during the past few months. These strikes were called regardless of their effect upon the public or our national economy. On second and serious reflection I came to the conclusion that the average workingman does not want to strike. He is the victim of decisions made by labor leaders who are more concerned about power and prestige than the personal interests of the laboring people. It is time we rid our Nation of irresponsible, racketeering labor leaders.

PAPER WORKERS LOCAL NO. 584,  
UNITED PLAYTHINGS, JEWELRY  
AND NOVELTY WORKERS INTERNATIONAL UNION (CIO),  
Newton Upper Falls, Mass., May 7, 1946.  
Representative FRANK CARLSON,  
House Office Building,  
Washington, D. C.

DEAR REPRESENTATIVE CARLSON: The railroad freight embargo, effective May 10, comes as a shock to industry, inasmuch as no general embargoes were put into effect during the most critical transportation emergency of the war.

Manufacturing will cease in this converting plant on May 9 and 528 employees will be unemployed because of today's ODT order. Ours is a bulky product (treated wrappings for heavy industry) which cannot be stored, but rather must be shipped the day it is produced.

The responsibility for this condition lies with our Government, because no one has succeeded in accomplishing their objective in getting the miners back to work.

We urgently request that you do something immediately, and everything in your power to have the embargo lifted now.

America must remain a Nation of the people, and you, as a representative of the masses, must become a crusader in this most vital cause to find ways and means of lifting the freight embargo.

Thank you for your valued assistance at this time, and we hope that you will be a factor in keeping American industry in production.

Yours very truly,

VINCENT T. GAMBLE,  
President, Local No. 584, Sherman  
Paper Products Corp.

#### EXTENSION OF REMARKS

Mr. GROSS asked and was given permission to revise and extend the remarks he made this afternoon and include therewith a newspaper article.

Mr. BARRETT of Wyoming asked and was given permission to revise and extend the remarks he made in Committee of the Whole and insert therein some letters and other documents.

Mr. GORE asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter written to him in 1941 by B. M. Baruch, and in the other an article which appeared in the National Rotarian.

Mr. PATTERSON (at the request of Mr. SAVAGE) was given permission to extend his remarks in the RECORD and include a newspaper article.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. AUCHINCLOSS (at the request of Mr. EATON), for 2 days, on account of official business.



To Mr. WASIELEWSKI, for nine legislative days beginning Thursday, May 9, on account of official business.

To Mr. CANFIELD (at the request of Mr. BLAND), for Friday and Saturday of this week, on account of attending the tour of inspection of the Merchant Marine Academy.

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 997. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944;

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia; and

S. 1742. An act for the relief of Socony-Vacuum Oil Co.

#### ADJOURNMENT

Mr. SPARKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Thursday, May 9, 1946, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearings on Thursday, May 9, 1946, at 10 o'clock a. m., to consider the following bills:

H. R. 6219. A bill to authorize the Commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946.

H. R. 6263. A bill to amend the act of June 23, 1943, so as to authorize inclusion of periods of education and training in an Army Transportation Corps civilian marine school as "service in the merchant marine."

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1272. A letter from the Acting Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1273. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal years 1946 and 1947 in the amount of \$25,019,500 for the Treasury Department (H. Doc. No. 564); to the Committee on Appropriations and ordered to be printed.

1274. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to certain

existing appropriations and funds of the National Advisory Committee for Aeronautics (H. Doc. No. 565); to the Committee on Appropriations and ordered to be printed.

1275. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$2,500,000, for the War Department, for rivers and harbors (H. Doc. No. 566); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LYLE: Committee on the Post Office and Post Roads. H. R. 5560. A bill to fix the rate of postage on domestic air mail, and for other purposes; without amendment (Rept. No. 1986). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6057. A bill to amend the act of July 11, 1919 (41 Stat. 132), relating to the interchange of property between the Army and the Navy, so as to include the Coast Guard within its provision; without amendment (Rept. No. 1988). Referred to the Committee of the Whole House on the State of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLOOM: Committee on Foreign Affairs. S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal; without amendment (Rept. No. 1987). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 6368. A bill to amend the National Service Life Insurance Act of 1940 to include certain persons as beneficiaries under such act; to the Committee on World War Veterans' Legislation.

By Mr. McMILLAN of South Carolina (by request):

H. R. 6369. A bill to provide for the voluntary admission and treatment of mental patients at St. Elizabeths Hospital; to the Committee on the District of Columbia.

H. R. 6370. A bill to authorize certain administrative expenses in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANKIN:

H. R. 6371. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SPENCE:

H. R. 6372. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. JOHNSON of California:

H. R. 6373. A bill to amend the act of May 18, 1934, so as to provide additional penalties in the case of resistance to Federal officers

in prison breaks; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 6374. A bill to amend the Emergency Price Control Act of 1942 so as to remove price controls with respect to grain and grain products; to the Committee on Banking and Currency.

By Mr. WINTER:

H. R. 6375. A bill to provide for a balanced budget and to place each department and establishment of the Federal Government on a cash basis, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. VINSON:

H. J. Res. 347. Joint resolution to correct a technical error in the act approved April 18, 1946 (Public Law 347, 79th Cong., 2d sess.); to the Committee on Naval Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 6376. A bill for the relief of Mrs. Fuku Kurokawa Thurn; to the Committee on Immigration and Naturalization.

By Mr. BLOOM:

H. R. 6377. A bill for the relief of Edward Tyslowitz; to the Committee on Immigration and Naturalization.

H. R. 6378. A bill for the relief of William Aloysius Dalton; to the Committee on Naval Affairs.

By Mr. BUCK:

H. R. 6379. A bill for the relief of Angelina Marsiglia; to the Committee on Claims.

By Mr. KLEIN:

H. R. 6380. A bill for the relief of Saloma Freylich; to the Committee on Immigration and Naturalization.

By Mr. LEA:

H. R. 6381. A bill for the relief of Thomas L. Brett; to the Committee on Claims.

H. R. 6382. A bill for the relief of Ernest Godfrey; to the Committee on Claims.

By Mr. SHAFER:

H. R. 6383. A bill for the relief of A. Z. Shopoff; to the Committee on Claims.

By Mr. WHITTEN:

H. R. 6384. A bill for the relief of Mrs. Elizabeth Kempton Bailey; to the Committee on Immigration and Naturalization.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1869. By Mr. MERROW: Motion unanimously carried at the regular meeting of the Pembroke Grange, Suncook, N. H., as opposed to the 20-percent cut in grain rations to the American farmer, believing it to be detrimental to the best interests of the world at large and respectfully petition Senators and Representatives to do all in their power to procure the necessary grain for the farmers to produce and not reduce; to the Committee on Agriculture.

1870. By Mr. VOORHIS of California: Petition of Richard J. O'Brien and 994 others, all students at Loyola University, Los Angeles, Calif., urging that adequate relief for the war-devastated areas of the world is essential for world peace and security, and urging that Congress immediately make available any needed funds for relief purposes; and urging a great national effort, including rationing if necessary, to enable needed allocations of food to actually go forward to needy areas; to the Committee on Foreign Affairs.